

# Memorandum



CITY OF DALLAS

DATE September 13, 2018

TO Honorable Mayor and Members of City Council

SUBJECT **Fair Park Management Contract**

On Tuesday, September 18, 2018, Willis Winters, Director of Dallas Park and Recreation, will brief Council on the Fair Park Management Contract. I have attached the presentation materials for your review.

Please contact my office at (214) 670-3390 with any questions.

A handwritten signature in blue ink that reads "M. Elizabeth Reich".

M. Elizabeth Reich  
Chief Financial Officer

[Attachment]

c: T.C. Broadnax, City Manager  
Larry Casto, City Attorney  
Craig D. Kinton, City Auditor  
Billierae Johnson, City Secretary  
Preston Robinson, Administrative Judge  
Kimberly Bizer Tolbert, Chief of Staff to the City Manager

Jon Fortune, Assistant City Manager  
Joey Zapata, Assistant City Manager  
Majed A. Al-Ghafry, Assistant City Manager  
Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer  
Directors and Assistant Directors

# Fair Park Management Agreement Contract

**City Council**  
**September 18, 2018**

**Willis Winters**  
**Director, Park and Recreation**



Dallas Park & Recreation



**City of Dallas**

# Presentation Overview

- Purpose
- Background
- Procurement Process and Summary
- Contract Terms Summary
- Fair Park First Board of Directors
- Fair Park First Team Members
- Executive Summary
- Conclusion and Recommendation
- Park and Recreation Board Resolution
- Next Steps



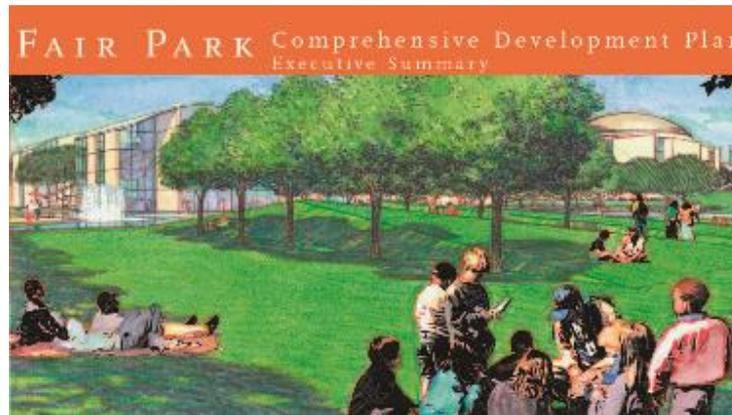
# Purpose

- Brief the community on the **Fair Park First** team, which will replace Fair Park's current structure with a non-profit board that is representative of the community and has planning and fundraising expertise that will oversee a nationally recognized management company



# Background

- 2003 – Fair Park Comprehensive Development Plan Goals
  - Create a signature public park
  - Uphold the park's historic legacy
  - Support Fair Park institutions and partners, while activating new programs and uses
  - Encourage economic vitality
  - Enhance connectivity with the community and the greater Dallas metroplex



# Background

- 2013 – Mayor’s Fair Park Task Force (MFPTF)
  - Charged with:
    - Examining The Future of Fair Park
    - Capitalizing on the many strengths of Fair Park
    - Enabling Fair Park to reach its full potential
    - Making recommendations that would address long-standing challenges and realize real improvements
  - Recommendations would address:
    - Inadequate funding
    - Green space
    - Lack of cohesive governing and marketing body
    - Misconceptions regarding park safety



# Background

- September 3, 2014 – MFPTF presented a briefing called “A Park For All People” at a joint session of the City Council and the Park and Recreation Board
- Key Recommendations:
  - Enhance access and connectivity with community and city
  - Establish a community park on south side of Fair Park
  - Empower new non-profit organization as operational and marketing authority for Fair Park
- Recommendations were in line with 2003 Fair Park Comprehensive Development Plan



# Background

- 2014 and 2015 – City conducted 6 public input meetings on Fair Park
- May 7, 2015 – Park and Recreation Board adopted a resolution in support of MFPTF recommendations with modifications:
  - Development of a comprehensive land use study and urban design plan for the South Dallas/Fair Park neighborhood
    - Include strong community participation and input
    - Focus on mitigating gentrification in the surrounding neighborhood
  - Preference for below-grade parking
  - The future 501(c)3 board include member(s) representing the surrounding Fair Park community and member(s) with expertise in historic preservation

# Background

- August 4, 2016 – Park and Recreation Board approved draft Management Agreement with Fair Park Texas Foundation
- August 29, 2016 – Park and Recreation and the Fair Park Texas Foundation briefed the City Council on proposed Management Agreement
- September 20, 2016 – Second entity expressed interest in submitting proposal
- October 13, 2016 –
  - City Attorney advised proceeding with competitive procurement process
  - City Council committee recommended standard procurement process for Fair Park management agreement



# Procurement Timeline

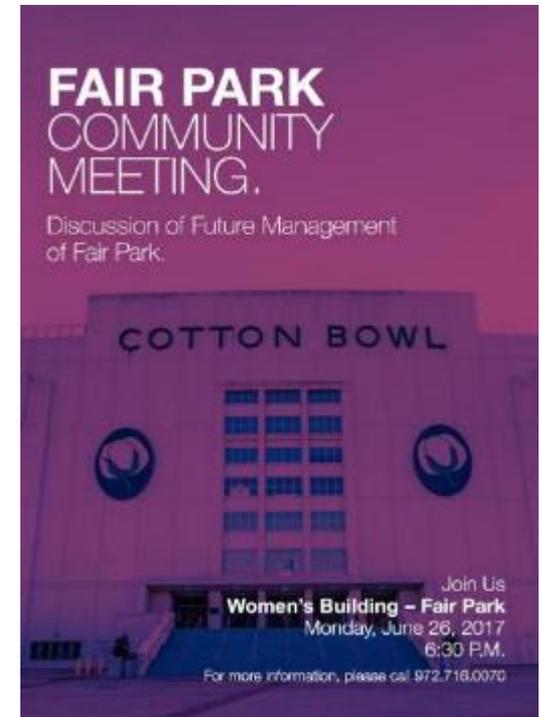
- October 28, 2016 – Office of Procurement Services issued a Request for Qualifications (RFQ), utilizing the following as the guiding principles:
  - The MFPTF Report
  - The MFPTF Key Recommendations, as amended by the Park and Recreation Board Resolution
- Outreach to the vending community
  - Advertised to public in the Dallas Morning News
  - Sent 2,590 emails to the City registered vendors
  - Notified 25 chamber of commerce and advocacy groups in the area
  - Reached out to 14 nationally recognized organizations

# Procurement Timeline

- December 30, 2016 – City received three responses to the RFQ:
  - In The City For Good, hereafter Fair Park First
  - The Oak Cliff Foundation-Fair Park Redevelopment, hereafter Fair Park Conservancy, Inc.
  - Fair Park Texas Foundation
- February 9, 2017 – City deemed all responders qualified
- April 12, 2017 – City Council approved service contract with consultant to develop Request for Competitive Sealed Proposals (RFCSP) and review and evaluate the financial submittal

# Procurement Timeline

- May 25 – June 29, 2017 – Consultant meetings to solicit input for RFCSP
  - Mayor
  - City Council Members
  - Park and Recreation Board Members
  - Landmark Commission Members
- June 26, 2017 – Consultant held citywide public engagement meeting at Women’s Building
- August 14, 2017 – Councilman Felder held a community engagement meeting at Billy Dade Middle School



# Proposal Requirements

- The City and consultant collaborated to develop RFCSP specifications encompassing:
  - Requirement for a non-profit organization to fundraise for Fair Park and provide turn-key management
  - Requirement for effective community relations
  - Requirement to enhance and maintain Fair Park as a City of Dallas landmark district, State Antiquities Landmark, and National Historic Landmark
  - Key elements from MFPTF, as amended by the Park and Recreation Board Resolution

# Procurement Timeline

- July 14, 2017 - Office of Procurement Services issued the RFCSP to the three qualified vendors
  - Note: Two step process (RFQ/RFCSP) only allows original qualified firms to compete
  - The three qualified vendors asked 111 questions; City addressed the questions by addendum
  - The City extended the original due date from October 2 to October 16 to allow time for qualified firms to review City's responses
- October 16, 2017 - All three qualified vendors submitted proposals
- October 2017 – March 2018 - Evaluation of three proposals by evaluation committee
  - Interviews
  - Clarifications
- April – July 2018 – Negotiations



# Evaluation Process

- To determine the most advantageous solution, the evaluation committee:
  - Reviewed the proposals
  - Invited each proposer to present additional details of their submission in person
  - Asked each proposer to clarify their pro forma to ensure an accurate mutual understanding of the proposal's financial points



# Procurement Evaluation Criterion

- Financial – 32.5 points
- Qualification and Experience – 17.5 points
- Project Approach – 30 points
- Business Inclusion and Development – 20 points

# Evaluation Team

- A diverse team of City executives evaluated the proposals; the financial and BID criterion were reviewed and evaluated by the consultant and the Office of Business Diversity, respectively
- Evaluation committee members:
  - Director, Public Works
  - Director, Equipment and Building Services
  - Director, Sustainable Development and Construction
  - Director, Department of Housing & Neighborhood Revitalization
  - Director, Office of Cultural Affairs
  - Director, Planning & Urban Design
  - Assistant Director, Office of Economic Development
  - Assistant Director, Park and Recreation

# 1 Year Financial Comparison

	Fair Park First	Fair Park Conservancy	Fair Park Texas Foundation	Park and Recreation Dept. (FY 17/18)
Operating Expenses	<b>\$11,933,227</b>	\$14,790,000	\$16,906,000	<b>\$14,776,616</b>
Operating Revenue	<b>\$7,443,894</b>	\$3,860,000	\$4,950,000	<b>\$3,304,657</b>
Net City investment	<b>\$4,489,333</b>	\$10,930,000	\$11,956,000	<b>\$11,471,959</b>

NOTE: Fair Park Conservancy and Fair Park Texas Foundation submitted proposals requiring the City to fund their total estimated operating expenses. Fair Park First will only be compensated on their annual operating loss stated within their pro forma.

City Appropriation Required by Proposal	<b>\$4,489,333</b>	\$14,790,000	\$16,906,000
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# Ten Year Financial Comparison

	Fair Park First	Fair Park Conservancy	Fair Park Texas Foundation
Operating Expenses	<b>\$133,625,967</b>	\$191,640,000	\$182,951,000
Operating Revenue	<b>\$99,027,057</b>	\$107,460,000	\$79,850,000
Net City investment	<b>\$34,598,909</b>	\$84,180,000	\$103,101,000

NOTE: Fair Park Conservancy and Fair Park Texas Foundation submitted proposals requiring the City to fund their total estimated operating expenses. Fair Park First will only be compensated on their annual operating loss stated within their pro forma.

City Appropriation Required by Proposal	<b>\$34,598,909</b>	\$191,640,000	\$182,951,000
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# Summary Evaluation

- The evaluation team assessed each proposal's responsiveness to the published evaluation criteria, tabulated the scores, and ranked the proposals, with the top rank going to the proposal with the highest score
- **Fair Park First** was deemed the most advantageous proposer with **87.54** points



# Team Evaluation Summary By Criterion

Proposer	Financial (32.5)	Qualifications and Experience (17.5)	Project Approach (30)	B.I.D. (20)	Final Score	Rank
Fair Park First	28.10	15.22	24.22	20.00	87.54	1
Fair Park Texas Foundation	24.00	11.78	22.56	20.00	78.34	2
Fair Park Conservancy	21.50	8.13	15.53	20.00	65.16	3



# Fair Park Contract Summary



# Responsibilities of Parties

- **City**
  - Oversight of Contract (Park Board and City Council)
  - Funding Annual Appropriation
- **Fair Park First Board**
  - Fundraising
  - Supervision of Subcontractors
  - Community Engagement & Outreach
  - Historic Preservation
- **Spectra**
  - Management and Operations of Fair Park
  - Implementation of MWBE Initiatives
  - Implementation of capital projects not funded by bond programs
- **Biederman Redevelopment Ventures (BRV)**
  - Update Fair Park Comprehensive Plan
  - Design and Programming of Neighborhood Park



# Responsibilities of Parties (Capital Projects)

- **City**
  - Manage all capital improvement projects funded by current and future bond programs
- **Fair Park First Board**
  - Take lead in all fundraising efforts for capital improvements
- **Fair Park First/Spectra**
  - Provide capital planning and prioritization through the 5 year capital plan submitted yearly to City
  - Implement all capital improvements funded in any way other than City bond programs

# Contract Terms Summary

- Contract term of 20 years with two consecutive five years extensions (extensions are City's option) 1.02
- City retains ownership of all buildings, land and other improvements 2.01
- FPF Manager shall assume all duties and responsibilities for the operations and maintenance of Fair Park 1.01a
- Contract includes performance objectives 1.01b
  - Creation and maintenance of a neighborhood park
  - Support and enhancement of Fair Park as a national historic landmark
  - Maintenance and enhancement of the various cultural institutions located in Fair Park
  - Maintenance and enhancement of the sporting and recreation venues located in Fair Park

# Contract Terms Summary

- Annual appropriation paid yearly during first three years and monthly thereafter to FPF Manager to aid funding of expenses at the park including stipends to resident institutions and football games 3.01c
- All revenues will be retained by FPF Manager to fund operations 3.01d
- Any excess revenues will be retained by FPF Manager to either make improvements to Fair Park or accrue in a reserve fund 3.01d
- If annual appropriation, revenues and other funding sources are insufficient to cover expenses, FPF Manager can request an additional appropriation from City, but City is not obligated to approve 3.01b



# Contract Terms Summary

- Annual Appropriations: 3.01a
  - Year 1 – \$4,489,333
  - Year 2 – \$3,982,397
  - Year 3 – \$3,450,871
  - Year 4 – \$3,427,078
  - Year 5 – \$3,390,526
  - Year 6 – \$3,339,902
  - Year 7 – \$3,273,770
  - Year 8 – \$3,190,561
  - Year 9 – \$3,088,563
  - Year 10 – \$2,965,906



# Contract Terms Summary

- City requested a ten year pro forma from proposers; years 11-20 will be negotiated between the parties during the 10<sup>th</sup> year based on a newly projected Operating Budget for years 11 – 20
  - If unable to agree, 11<sup>th</sup> year will be calculated on the average of last 3 years
  - 12 – 20 will be the Annual Appropriation for year 11 adjusted by CPI
- Amount for years 11 – 20 will be approved by City Council 3.01a (ii)
- FPF Manager will provide a performance bond to the City in the amount of \$4.25M 5.04

# Contract Terms Summary

- All existing contracts at Fair Park, except for State Fair of Texas and TxDOT Parry Ave parking lot, will be assigned to FPF Manager for management and administration 2.05a
  - FPF Manager will initiate communication with SFOT and TxDOT for contract assignment discussions
  - If State Fair of Texas and TxDOT do not consent to assignment, City will continue to administer contracts 2.05d & e
- FPF Manager shall prepare and submit an annual business plan consisting of an operations and management plan and a 10 year projected budget that will be included in the Annual Report to the Park and Recreation Board 3.01e

# Contract Terms Summary

- FPF Manager (from Spectra) agrees to fund up to \$1M in transition costs (personnel, technology, equipment, etc.) 4.01
  - If the contract is terminated for any reason, other than termination by the City as a result of a FPF Manager default, City has agreed to repay Spectra the remaining unamortized balance 13.10
- FPF Manager shall be governed by an inclusive and diverse Board of Directors consisting of no fewer than 9 members 4.02
  - One member or 10% of Board membership will consist of a person from and representing the immediate adjacent neighborhood
  - One member or 10% of Board membership will consist of a person from and representing the historic preservation community



# Contract Terms Summary

- FPF Manager shall submit to the Park Board a Performance Plan to be reviewed 4.03a
  - Plan will include performance indicators related to the performance objectives including: total visitors, total events, net and gross operating revenues, capital improvements funded, private and public donations, compliance with BID Plan
- FPF Manager shall report any significant activities and performance to the Park Board quarterly for first two years of contract 4.03c
  - Beginning in year three FPF Manager will report annually



# Contract Terms Summary

- If FPF Manager does not meet any performance indicator for two consecutive years, Manager may be required by Park Board or Park Director to engage a consultant to develop and oversee a remediation plan at its own expense 4.03d
  - Remediation plan requires periodic updates to Park Board
  - If FPF Manager is unable to meet all indicators within 10 months following the implementation of remediation plan, City may terminate agreement with 60 days notice

# Contract Terms Summary

- City will manage capital improvement projects funded from bond programs 6.15b
  - City will coordinate and consult with FPF Manager throughout implementation of bond programs
- FPF Manager will develop capital improvement plan listing all major projects planned or needed over the upcoming five year period that will be reviewed annually with City 6.01b
- FPF Manager will be required to seek all necessary governmental approvals to make any additions, renovations, or significant modifications to buildings or public art 6.02



# Contract Terms Summary

- MWBE Program 4.13, Exhibit 4.13a
  - FPF Manager shall establish a program to utilize local minority businesses in all procurement and contract opportunities and require first tier bidders/vendors/contractors/suppliers to participate
  - Program should utilize minority businesses in and surrounding the Fair Park community as a first priority
  - FPF Manager shall report to the Office of Business Diversity on a quarterly basis the MWBE performance
    - Construction Services – 30%
    - Architects and Engineers – 25.66%
    - Other Professional Services – 36.30%
    - Other Services – 23.80%
    - Goods – 18%



# Contract Terms Summary

- **MWBE Program** Exhibit 4.13a
  - FPF Manager shall establish a recruitment and hiring program to provide employment opportunities for minorities in and surrounding the Fair Park community as a first priority
    - Program shall require all first tier bidders/vendors/contractors/suppliers to participate
    - Program shall promote employment opportunities at all levels including management
    - Program shall require the FPF Manager and first tier firms to report the number of minorities employed on a quarterly basis by categories including management and senior leadership to the Office of Business Diversity

# Contract Terms Summary

- MWBE Program 4.23
  - FPF Manager shall establish an internship program for local minority students in and surrounding the Fair Park community
    - Program shall require all first tier vendors and contractors to participate
    - Program shall require the FPF Manager and first tier firms to report the number of students in internships on a bi-annual basis
    - Program shall require the FPF Manager to monitor the program and report on the results
  - FPF Manager shall create a program to partner and support local not-for-profit organizations residing in the Fair Park community that advocate and provide services to minorities Exhibit 4.13a



# Contract Terms Summary

- FPF Manager has agreed to conduct interviews with all existing City staff and may make employment offers 4.11a
  - FPF Manager is not obligated to employ existing staff
  - Currently 72 positions/approx. 50 filled
- Existing City employees will assist with transition for 45 days after contract commencement
- FPF Manager will pay all employees including contract labor a minimum of \$10.94, in accordance with the wage floor in place at the time the contract was signed 4.11b

# Contract Terms Summary

- FPF Manager is granted the right to contract for naming rights and sponsorships in accordance with the Park Board naming policy and subject to the historic overlay ordinance and requirements of Landmark Commission
- Naming and sponsorships shall be of a first class quality suitable for families and children and shall not promote or relate to tobacco products, sexually oriented businesses or be of a non-commercial nature
- Park Board approval is required for re-naming of any building
- Director approval is required for a sponsorship exceeding 5 years <sup>4.17</sup>



# Contract Terms Summary

- FPF Manager has agreed during the first year of the contract to initiate the update to the Fair Park Comprehensive Plan 6.16
- FPF Manager has agreed that the updated comprehensive plan shall include a new neighborhood/community park as the first project 6.17
- General admittance to the park shall remain free of charge except during the State Fair or any other special event 7.02



# Contract Terms Summary

- FPF Manager and its subcontractor (Spectra) acknowledge that they are subject to the Texas Public Information Act (open records) 9.04a
- FPF Manager agrees to conduct public open meetings 9.04b
  - Exception for a closed meeting following Texas Open Meetings Act (TOMA) rules or for topics related to a proprietary or confidential nature
  - Not subject to TOMA but will conduct open meetings in the interest of transparency
- Request for Competitive Sealed Proposal is attached and made part of contract 1.01c

# Contract Terms Summary

- At the City's request, Fair Park First will establish two reserve accounts:
  - An operational reserve account, for which the City will provide \$500k in seed money to be delivered after FPF Board adopts a policy for access to the reserves and an investment policy that have been reviewed and approved by City 3.01g (i)
  - A transition reserve account, for use in the event the manager is unable to meet its fundraising targets during the first three years of the agreement, for which the City will provide \$2M to be delivered after FPF Board adopts a policy for access to the reserves and an investment policy that have been reviewed and approved by City 3.01g (ii)

# Fair Park First Board and Team



# Fair Park First Board of Directors



# Fair Park First Board

## UPDATED BYLAWS FOR TERM LIMITS

- Initial terms will be staggered
- Thereafter, two three-year terms

## EXPANDED BOARD TO 13 MEMBERS

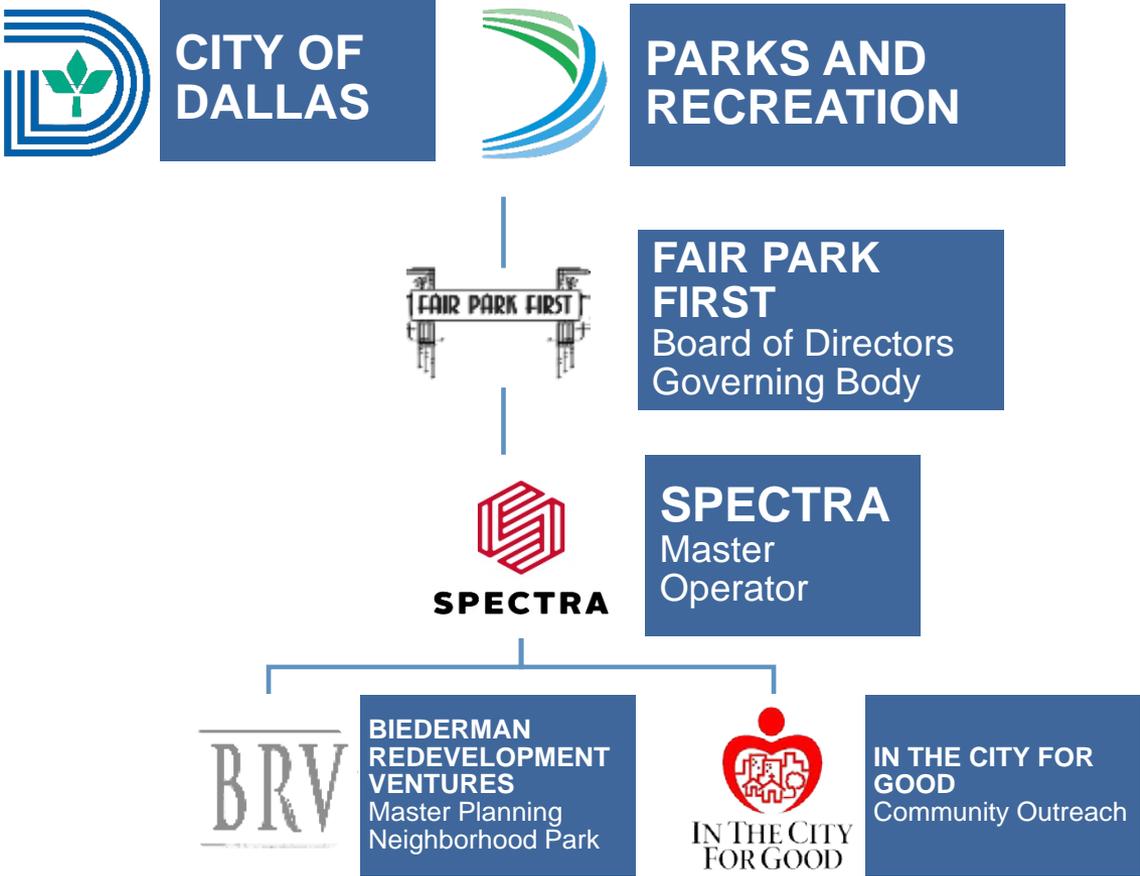
- New member interviews underway
- Inclusion of community members and fundraisers
- Subcommittees:
  - Fundraising
  - Community
  - Finance
  - Tenants
  - Education



# Fair Park Advisory Committees

- Facilities/Historic Preservation
- Fair Park First Community Coalition
- Fundraising/Donor Relations
- Arts & Culture
- Finance
- Education
- Programming/Local Events
- Fair Park Stakeholders
- Community Park/Masterplan

# Responsibilities of Parties



# Fair Park First Goals

**CONNECTING THE COMMUNITY**

**ACTIVATION OF PARK**

**MASTER PLAN &  
NEIGHBORHOOD PARK**

**LEVERAGING EXTERNAL SUPPORT**

**ENHANCE NATIONAL HISTORIC  
LANDMARK STATUS**

**COMMITMENT TO TRANSPARENCY**



# Fair Park First Board Fundraising Goals

LED BY FAIR PARK FIRST

PROVEN PHILANTHROPIC CITIZENS

**\$3M GOAL IN YEAR ONE**  
**\$30M GOAL IN FIRST 10 YEARS**



# Capital Needs Assessment

## **\$160M 10-YEAR PLAN**

- Based on AECOM Study

## **METHODOLOGY**

- Operational Audit
- Industry Standards

## **PRIORITIZATION**

- Reassessed after Operational Audit

## **FUNDING STRATEGY**

- Capital Campaign
- Bond Program
- Grants

# Performance Plan

## **BUILT INTO CONTRACT**

- Plan development to commence upon contract commencement and to be completed by May 1, 2019
- Contractual Metrics:
  - Visitors
  - Number of events
  - Revenue generation
  - Capital improvements
  - Fundraising
  - BID compliance
  - Community outreach and engagement policies
- Committed to working with the City of Dallas

# M/WBE Commitment & Community Outreach

**FAIR PARK FIRST BOARD IS COMMITTED TO MEETING & EXCEEDING M/WBE OBLIGATIONS & A FOCUS ON COMMUNITY ENGAGEMENT**

Churches

School Leaders

Neighborhood Associations

Non-profits

Students

Neighborhood Businesses



# Public Engagement

## OVER 80 COMMUNITY MEETINGS HELD SINCE JULY 27TH

- Tenants
- Community groups and leaders
- Churches
- Preservation groups
- Schools





# BRV

BIEDERMAN  
REDEVELOPMENT  
VENTURES



# Biederman Redevelopment Ventures

Creates, redevelops, and operates parks, public spaces, and neighborhood streetscapes

**Financially Self-Sustaining Parks**

**Stimulate Economic Development**

**Experience With Over 110 Parks**



# Klyde Warren Park

**2005 – 2010**

**Created schematic programming design and staffing plan, developed restaurant, and raised funds**

**2014**

**Klyde Warren Park was awarded ULI Public Space Award**



# Bryant Park New York, NY

**1988**  
**BRV took over the park**

**1992**  
**Park reopened with now  
iconic programming, seating,  
food options, and more**

**Over 5,400 people visit  
Bryant Park on regular,  
non-event days at  
lunchtime alone**



# Parks in Neighborhoods Similar to South/East Dallas

## **SCHENLEY PLAZA PITTSBURGH, PA**

- BRV hired in 2004
- Established programming and operating plans
- Worked closely with Sasaki Associates on the schematic design of the park
- Worked closely with the Pittsburgh Parks Conservancy
- Public-private partnership



# Parks in Neighborhoods Similar to South/East Dallas

## LEVY PARK HOUSTON, PA

- BRV hired in 2015
- Goal to redevelop an underperforming neighborhood park
- Created and executed programming, staffing, and revenue plans
- Close collaboration with local organizations
- Nominated for 2018 Open Space Award
- Privately funded



# Update Comprehensive Plan

Develop Program Plan

Design Process

Public Meetings

Focus on Neighborhood Park

Starting Immediately & Completed  
within Two Years



# Approach For Fair Park

- Create a regional destination by developing attractions and amenities found nowhere else in the Metroplex
- Showcase Fair Park cultural attractions and tenants in the outdoor spaces; strategically program buildings with tenants who can take advantage of the opportunity
- Integrate daily programming into the Esplanade and a new neighborhood park
- Create world-class gardens and other “drop-in” attractions
- Promote perceptions of safety through activation and aesthetic improvements, including parking lots, signage, and lighting park-wide





# SPECTRA



# Spectra's Goals for Fair Park

Increase Event Activity & Attendance

Sales and Marketing Focus

Operations & Maintenance

Capital Improvement Planning

Holistic Approach

Career Opportunities &  
Inclusion

Park for the People





**40M+**

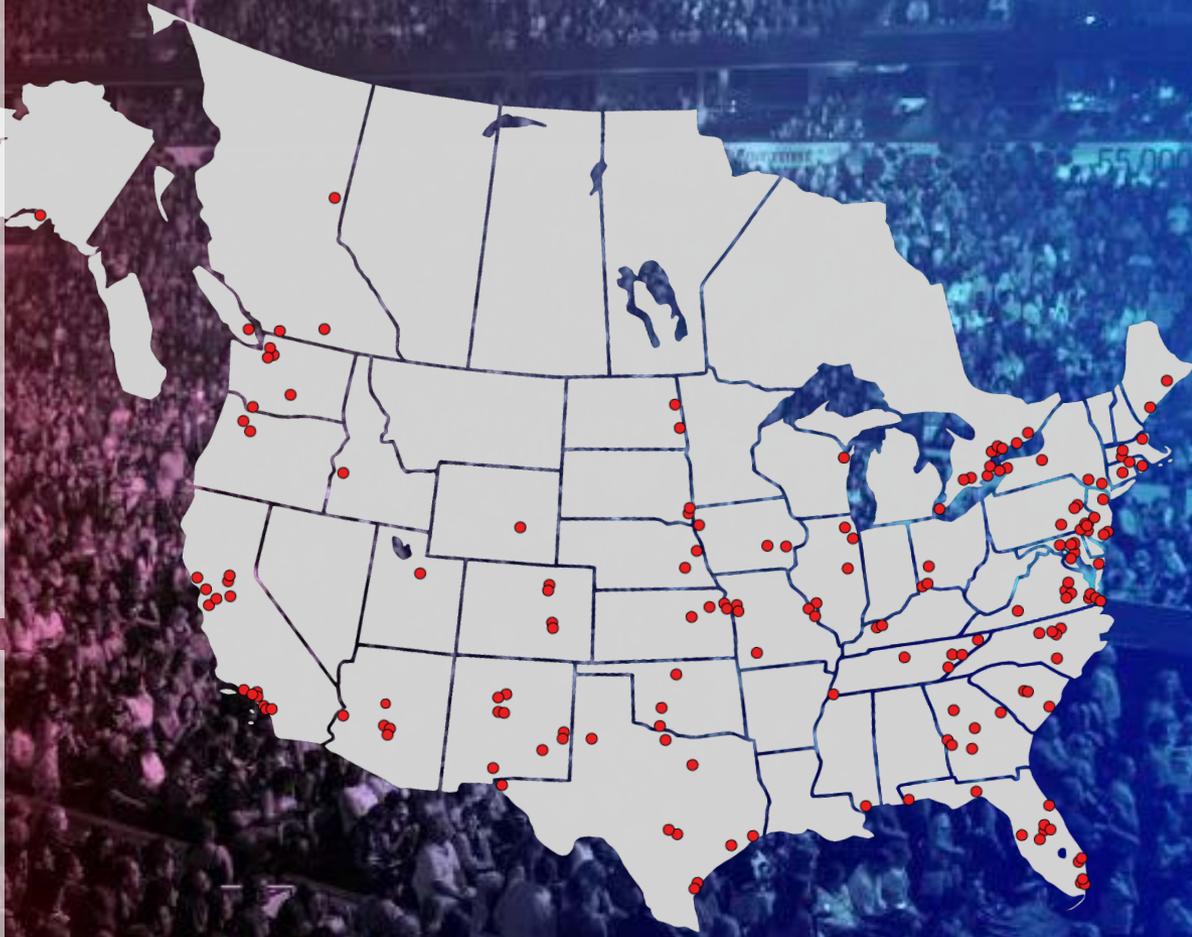
**GUESTS HOSTED  
ANNUALLY**

**200,000+**

**EVENTS ANNUALLY**



**SPECTRA**



Dallas Park & Recreation



City of Dallas

# 319 PROPERTIES

22  
Fairgrounds  
& Ag Centers



124  
Arenas &  
Stadiums



37  
Amphitheatres  
& PACs



50  
Convention  
Centers



86  
Specialized  
Venues



# Proven Experience



# Proven Experience



**Liberty Bowl Memorial Stadium & Memphis Fairgrounds**  
Memphis, TN

## **SPECTRA SERVICES**

Venue Management and Food Services & Hospitality  
Client since 2011

## **CAPACITY**

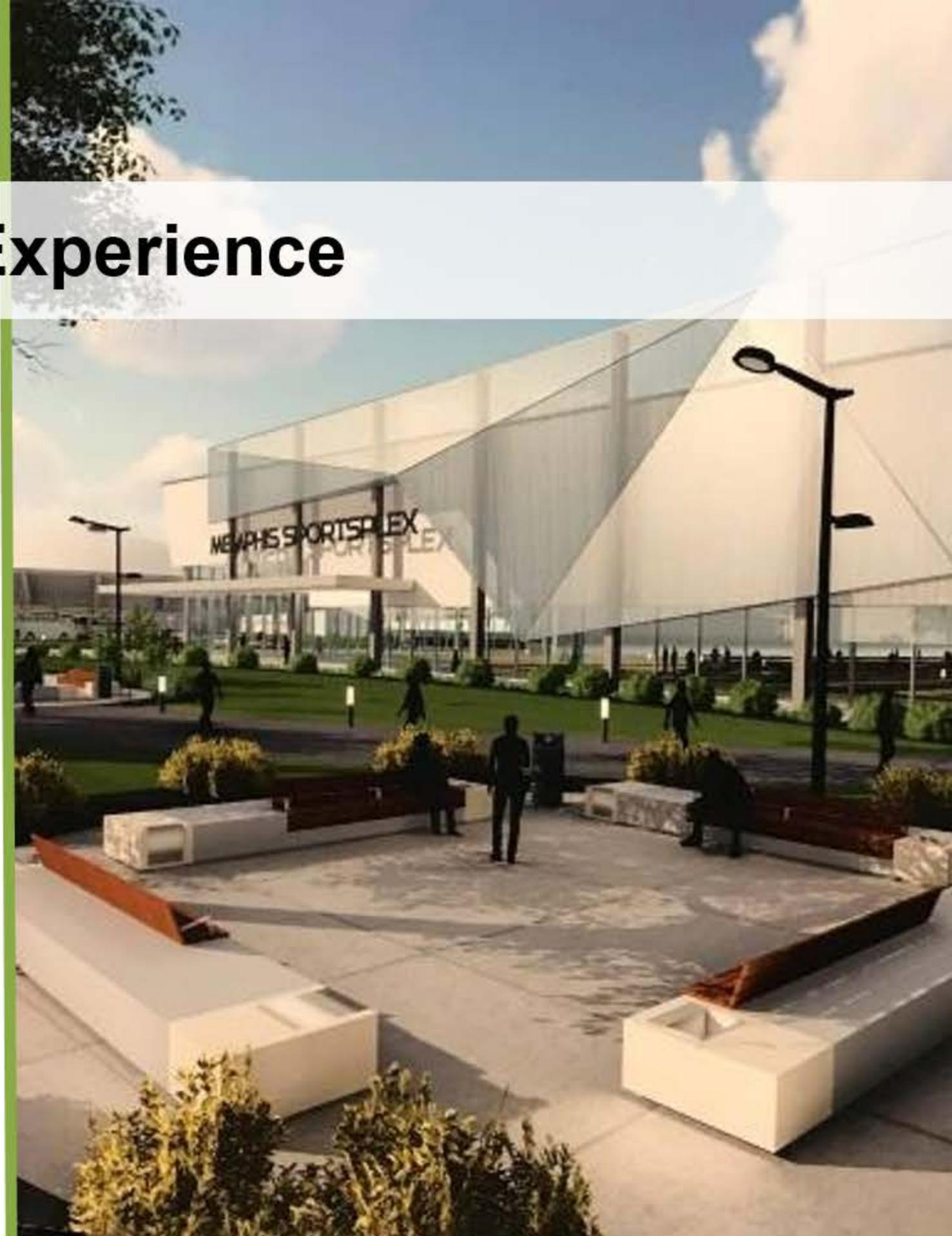
61,000

## **EVENT HIGHLIGHTS**

Autozone Liberty Bowl  
University of Memphis home football games

## **IMPROVEMENTS**

Oversaw \$12m renovation in first year and currently working on Memphis Fairgrounds redevelopment



# Proven Experience



California Exposition & State Fair  
and Papa Murphy's Park  
Sacramento, CA

## SPECTRA SERVICES

Venue Management and Food Services & Hospitality  
Client since 1999

## SPECS

350 Acres; 270,000 square feet Exhibit Space;  
11,000-seat Stadium

## EVENT HIGHLIGHTS

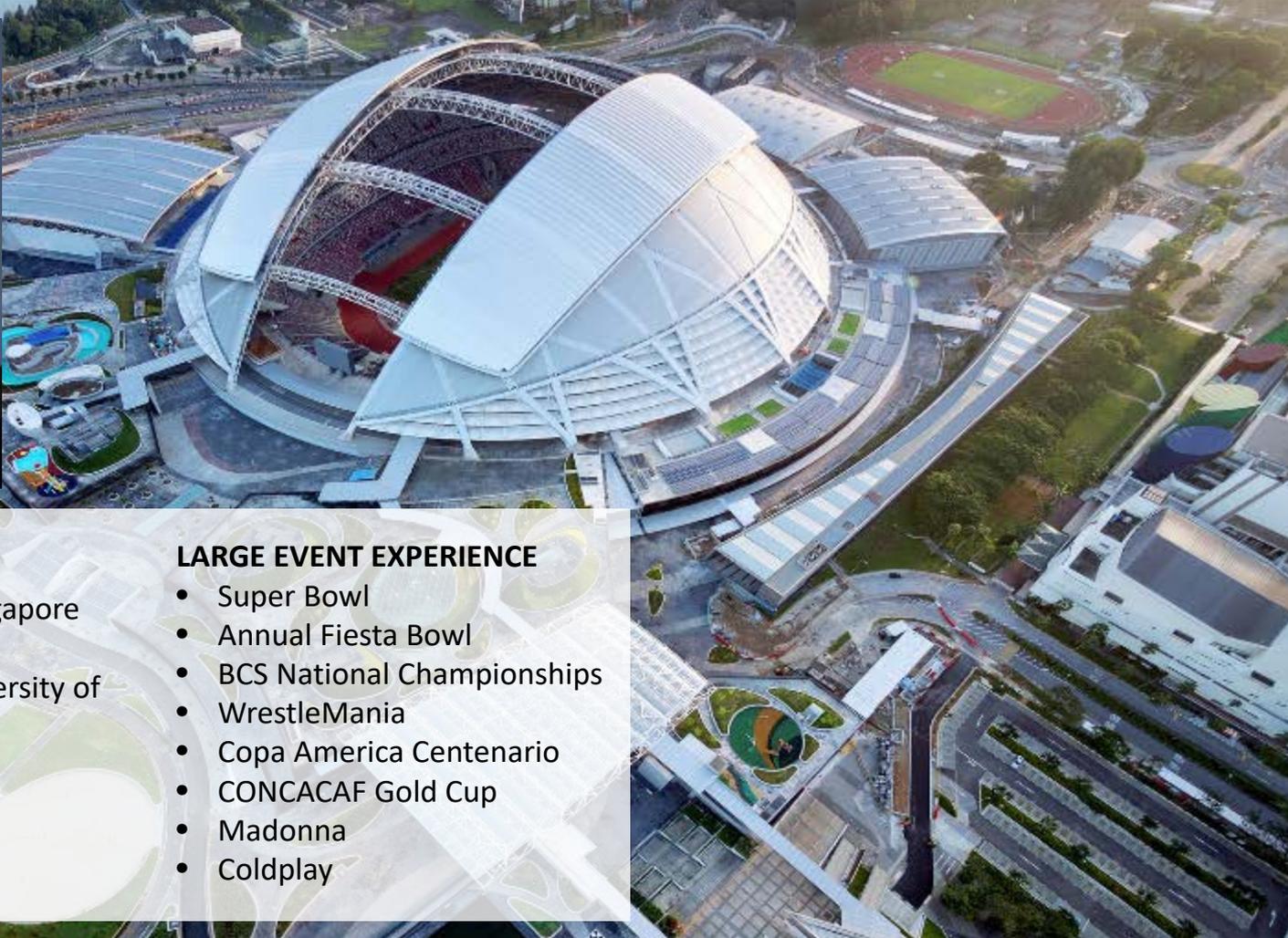
California State Fair – 800,000 Guests  
Sacramento Republic FC home matches  
Global Winter Wonderland – 340,000 Guests



# Spectra's General Manager



Peter Sullivan  
Spectra General Manger



## PAST EXPERIENCE

- Managing Director, Singapore Sports Hub
- General Manager, University of Phoenix Stadium
- President, Lansing Entertainment

## LARGE EVENT EXPERIENCE

- Super Bowl
- Annual Fiesta Bowl
- BCS National Championships
- WrestleMania
- Copa America Centenario
- CONCACAF Gold Cup
- Madonna
- Coldplay



# CHAMPIONS

## MAJOR EVENT EXPERIENCE



### Art | Basel



# Increase Event Activity

## STRONG PROMOTER RELATIONSHIPS



CIRQUE DU SOLEIL.



Dallas Park & Recreation



City of Dallas

# Increase Event Activity

## FUTURE EVENTS AT FAIR PARK





# Increase Attendance

## Sales and Marketing Goals for Dallas Fair Park

**AWARENESS OF  
PARK ACTIVITY**

**RELATIONSHIPS**

**REVENUE  
OPPORTUNITIES**

**EVENT  
CREATION**

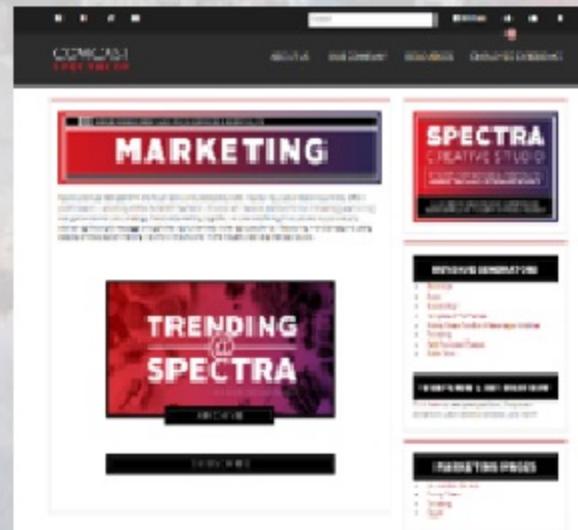


# Increase Attendance

## Sales and Marketing Approach for Dallas Fair Park

**ESTABLISHED  
RESOURCES**

**150 MARKETERS NATIONWIDE**

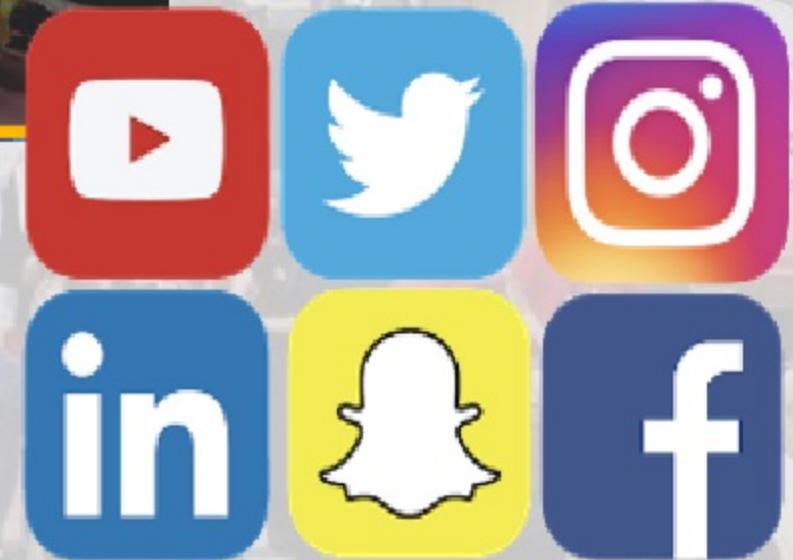
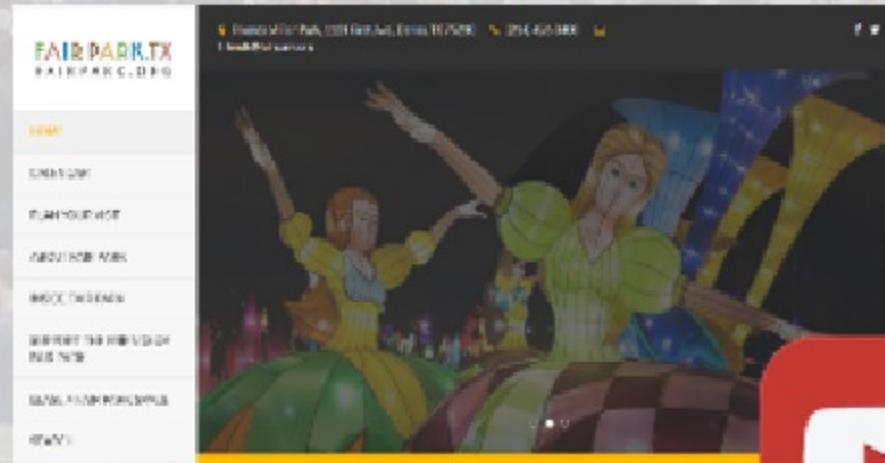


# Increase Attendance

## Sales and Marketing Approach for Dallas Fair Park

ESTABLISHED  
RESOURCES

ENHANCED  
DIGITAL  
STRATEGY



# Increase Attendance

## Sales and Marketing Approach for Dallas Fair Park

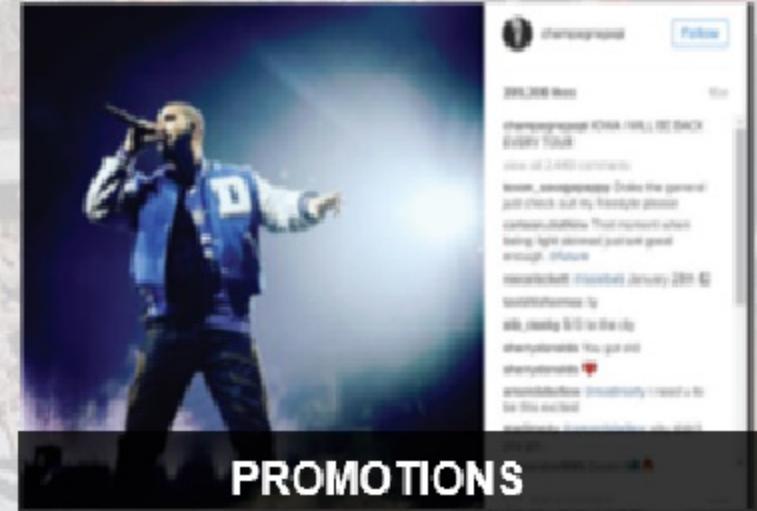
ESTABLISHED  
RESOURCES

ENHANCED  
DIGITAL  
STRATEGY

EVENT  
MARKETING



PRE- AND POST-EVENT EVENTS



PROMOTIONS



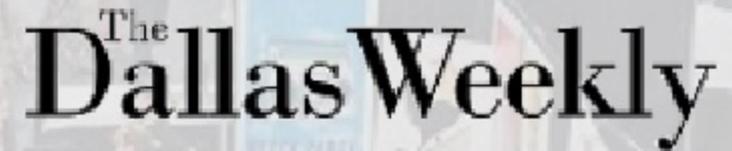
GROUP SALES



# Increase Attendance

## Sales and Marketing Approach for Dallas Fair Park

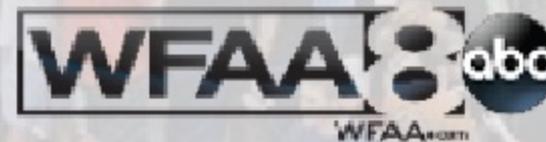
ESTABLISHED  
RESOURCES



ENHANCED  
DIGITAL  
STRATEGY



EVENT  
MARKETING



ACTIVE  
PARTNERSHIPS



# SPECTRA SUCCESSES

CROWN COMPLEX  
FAYETTEVILLE, NC



**33%**

INCREASE IN TICKET  
REVENUE IN FIRST  
18 MONTHS

FORD IDAHO CENTER  
NAMPA, ID



**250%**

ARENA CONCERT  
GROWTH IN FIRST 24  
MONTHS



# Operational Excellence

Corporate Operations Department

New Client Operational Audit & Manual

Computerized Preventative  
Maintenance Systems

Capital Improvement  
Planning & Purchasing

Historical Preservation

Energy Efficiency



# Transition

## Dedicated Department

EXPERIENCED SUBJECT  
MATTER EXPERTS DEDICATED  
TO EACH FACET OF THE  
OPERATION

Finance

Marketing

Sales

HR

Operations

And More



# Transition

## Dedicated Department

EXPERIENCED SUBJECT MATTER  
EXPERTS DEDICATED TO EACH  
FACET OF THE OPERATION

Interview Employees

Operational Audit

Benefits Orientation

Local Meetings

And More



**PROCESS BEGINS  
IMMEDIATELY UPON  
APPROVAL**



# Career Opportunities

## INTERNSHIP PROGRAM

Collaborate with the Mayor's Summer Internship Program

Collaboration with local Schools, such as James Madison High School and Lincoln High School

## CAREER FAIRS

At Fair Park and at local Universities

## ON-THE-JOB TRAINING



# Inclusion

**EXCEED M/WBE PARTICIPATION GOALS**

**OUTREACH FOR LOCAL, STATE, AND NATIONAL VENDORS**

**SPECIAL FOCUS ON FAIR PARK AREA ORGANIZATIONS**



# Building Tenant Relations

## Approach for Fair Park Tenants

**RENEW AGREEMENTS**

**EVENTS & OPERATIONS SUPPORT**

**MARKETING & SALES SUPPORT**

**WORLD-CLASS GUEST EXPERIENCE**



# Event Tenant Relations

## Maintaining Close Working Relationships

Regular meetings with Leadership

Identify potential events to fill space

Food and beverage support

Load-in and load-out



# HOLISTIC APPROACH

## Spectra Sponsorship Sales

### NATIONAL RESULTS

28 NAMING RIGHTS IN 7 YEARS

\$70M+ IN SALES ANNUALLY

### PROJECTIONS FOR FAIR PARK

\$600,000 IN YEAR ONE

\$4M+ IN FIRST FIVE YEARS

DEDICATED SALES STAFF

DRIVE REVENUE

MARKETING REACH

ENHANCING GUEST EXPERIENCE



# Holistic Approach

## Spectra Food Services & Hospitality

**WORK WITH EXISTING PARTNERS**

**SUSTAINABILITY**

**PROVEN SYSTEMS**

**NEIGHBORHOOD ENGAGEMENT**

**SURVEY SCORES**  
**9.35 OUT OF 10**

9.3 out of 10 on staff surveys  
9.4 out of 10 on fan surveys





# Impact on Fair Park

Enhanced Awareness of Fair Park

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More Events & Increased Attendance

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Improved Operations & Maintenance

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Community Investment & Neighborhood Park

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Career Opportunities



# Executive Summary



# Executive Summary

- City underwent a standard procurement process (RFQ/RFCSP) for contract
- Received three responses for both the RFQ and RFCSP
  - Fair Park First
  - Fair Park Texas Foundation
  - Fair Park Conservancy
- Based upon scoring criteria in the RFCSP **Fair Park First** was selected to enter into negotiations
- 20 year contract



# Executive Summary

- Contract with **Fair Park First** will provide better value to City
- **Fair Park First Board** will be able to fundraise and diversify funding sources
- **Fair Park First** Board of Directors is diverse and representative of the community
- **Fair Park First** team includes one of the largest event and venue managers in the US and a nationally acclaimed park planner/manager/programmer

# Executive Summary

- **Fair Park First** Board is committed to holding open public meetings and responding to open records requests
- **Fair Park First** Board is committed to implementing an aggressive MWBE program and an intern program that will focus upon providing neighborhood residents job experience at all levels of the organization
- **Fair Park First** Board is committed to offering job interviews to all existing City of Dallas Fair Park staff
- **Fair Park First** Board is committed to completing an update to the Fair Park Comprehensive Plan within two years with a heavy focus on the public engagement process and community input from the surrounding neighborhoods



# Conclusion and Recommendation

- Contract with **Fair Park First** brings together a group of entities that have proven national and international experience in managing large and diverse venues, booking events/driving attendance, marketing events and venues, and planning and programming nationally recognized and award winning parks
- **Fair Park First** Board of Directors is representative of the community, is comprised of recognized community and business leaders, and is committed to the historic preservation of the park, adhering to a robust MWBE program in all facets of the operation, and building a neighborhood park within Fair Park
- Staff recommends that the Park Board recommend approval of the contract by the City Council



# Park and Recreation Board Resolution

- On September 6<sup>th</sup> the Park and Recreation Board passed a resolution recommending the City Council approve the contract with Fair Park First with modifications. The Board did not vote on each modification individually, but instead approved them en masse as part of the resolution. They are:
  - The board must be restructured to be inclusive of the surrounding neighborhood, with a diverse group of community and civic-minded members who are experienced, respected fundraising leaders possessing the ability to effectively solicit capital from the private sector, while leveraging additional funding from the public sector and consist of not less than 13 members.

# Park and Recreation Board Resolution

- The board must act as an effective oversight body for the subcontractor, Spectra, to ensure that the best interests of the surrounding neighborhood—and the City of Dallas as a whole—are of the utmost importance. This includes, but is not limited to, the strict prohibition of any board member receiving a financial benefit from serving on the board, or serving as a board member, officer, director, or be an employee of, any organization that receives a financial benefit from Fair Park First.

# Park and Recreation Board Resolution

- At least ten percent of the board members shall be individuals who reside in the area bounded on the east by White Rock Creek, on the north by I-30, on the west by I-45, and the south by US-175.
- The non-profit manager shall submit its performance indicators to the Dallas Park and Recreation Board for ratification. So long as the City fulfills its Annual Appropriation, any obligations of Manager to implement a Remediation Plan shall not be relieved due to a lack of funds.
- The non-profit manager shall hire an executive director and staff.

# Park and Recreation Board Resolution

- The non-profit manager and all its subcontractors must pay employees at a wage rate not less than \$10.94 per hour, with annual adjustments in accordance with Dallas City Council Resolution 152141.
- The non-profit manager shall complete the design of the Neighborhood Park by the third anniversary of the Contract, shall apply for all permits required to construct the Neighborhood Park as designed within 42 months after the date of the Contract, shall commence construction promptly after issuance of such permits, and diligently pursue construction thereafter to completion within 18 months after issuance of such permits.



# Park and Recreation Board Resolution

- The phrase “so long as Manager is performing its management obligations with respect to Fair Park in accordance with the standards set forth in this Agreement” and similar phrases that appear in, among other places, Sections 3.01(b) and 13.01, shall provide that the management obligations and standards include all affirmative obligations of Fair Park First, including, but not limited to, the obligation to fulfill its Performance Plan under Section 4.03, the obligation to maintain and care for Fair Park under Section 4.19, the obligation to make the Annual Internship Investment under Section 4.23, the obligation to design and construct the Neighborhood Park under Section 6.17, the obligation to pay the Fair Park Living Wage under Sections 4.11(b) and 6.04, the obligation to comply with the City’s MWBE contracting rules, and the continuous operations provisions of Section 4.06.



# Park and Recreation Board Resolution

- If the non-profit manager and the city are unable to agree on the 11<sup>th</sup> year Annual Appropriation, the 11<sup>th</sup> year Annual Appropriation shall be the lesser of the average operating deficit for the previous three years or the 10<sup>th</sup> year Annual Appropriation indexed to CPI.
- The non-profit manager shall maintain reserves for Fair Park Management in an amount not less than six months' average Operating Expenses and not more than nine months' average Operating Expenses. Further, the non-profit manager shall create a Fair Park Capital Improvement Fund for all funds received in excess of Operating Expenses and reserves for Fair Park Management.



# Park and Recreation Board Resolution

- The Fair Park Capital Improvement Fund shall be used for the implementation of the Fair Park Capital Improvement Plan. No City funds shall be used for the Fair Park Capital Improvement Plan until the Fair Park Capital Fund is first exhausted. The non-profit manager shall submit the Fair Park Capital Improvement Plan to the Dallas Park and Recreation Board for approval.
- The non-profit manager must fulfill its financial obligations to Fair Park resident institutions so long as the City fulfills its Annual Appropriation.

# Park and Recreation Board Resolution

- To ensure the Dallas Park and Recreation Board fulfills its obligations under the Dallas City Charter, Chapter XVII, any early termination of this contract shall be through the Park Board. Further, with regards to Alternative Dispute Resolution, any dispute that cannot be resolved by the Director shall be referred to the Park Board for resolution.



# Park and Recreation Board Resolution

- In order to position Fair Park for long-term success, the Park and Recreation Board resolution made the following recommendations to City Council for consideration:
  - The anticipated capital needs of Fair Park should be included in any future bond allocations with matching dollars from the non-profit manager.
  - Capital funds should be allocated in a manner that accomplishes historic preservation, restoration of art, construction of a neighborhood park and to help the non-profit manager become successful in their mission.

# Park and Recreation Board Resolution

- The City of Dallas budget savings over the life of the non-profit manager's contract should be set aside for Fair Park major maintenance and Dallas park safety.
- Current Fair Park tenants should have their contracts extended to coincide with the non-profit manager's initial term to ensure that long-term success can be the focus of all Fair Park entities' missions.
- In anticipation of Fair Park revitalization, the city should implement options to mitigate the effects of gentrification in surrounding neighborhoods by exploring economic development tools such as TIFs and PIDs, and zoning options such as Historic Districts, Conservation Districts, and Neighborhood Stabilization Overlays.



# Next Steps

- Receive City Council feedback
- September/October 2018 – City Council consideration of contract



# Fair Park Management Agreement Contract

**City Council**  
**September 18, 2018**

**Willis Winters**  
**Director, Park and Recreation**



Dallas Park & Recreation



**City of Dallas**