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# **Kay Bailey Hutchison Convention Center Dallas (KBHCCD) Master Plan – Component 1: Financing Update**

## **Finance Committee Meeting**

March 24, 2026

### **Jack Ireland**

*Chief Financial Officer*  
City Manager's Office

### **Rosa Fleming**

*Director*  
Convention and Event Services

### **Jenny Kerzman**

*Assistant Director of Treasury*  
City Controller's Office

### **Carlos Aguilar**

*CEO*  
Inspire Dallas

### **Noe Hinojosa**

*CEO*  
Estrada Hinojosa



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# KBHCCD Master Plan Component I – Background

## Background and Overview

Convention and Event Services (CES) staff and Component 1 team members last briefed City Council about the overall Kay Bailey Hutchison Convention Center Dallas (KBHCCD) Master Plan on January 21, 2026. The January 2026 briefing included information on:

- Amended cost estimate(s) for Component 1 based on advanced design
- Pre-enabling, enabling and pre-construction activities completed or in-process to-date
- Timelines and factors that could impact such timelines
- Workforce and engagement
- Requested future actions

Staff and financial consultants are briefing today to provide updates on cost verification since the January briefing, financial questions asked during the briefing, and move-forward financial recommendations including:

- Revenue bonding timelines
- Extension request for the bridge loan
- Updates on sources and uses

# Original Study Area



## KBHCCD Master Plan

Modernized Facility and Upgraded Service



## Multimodal Station Feasibility and Transportation Study

Bring Transit Assets together



## Area Master Plan

Connect to Urban Realm and Create a destination



## Financial Feasibility and Implementation

Capture value to fund implementation

### Legend

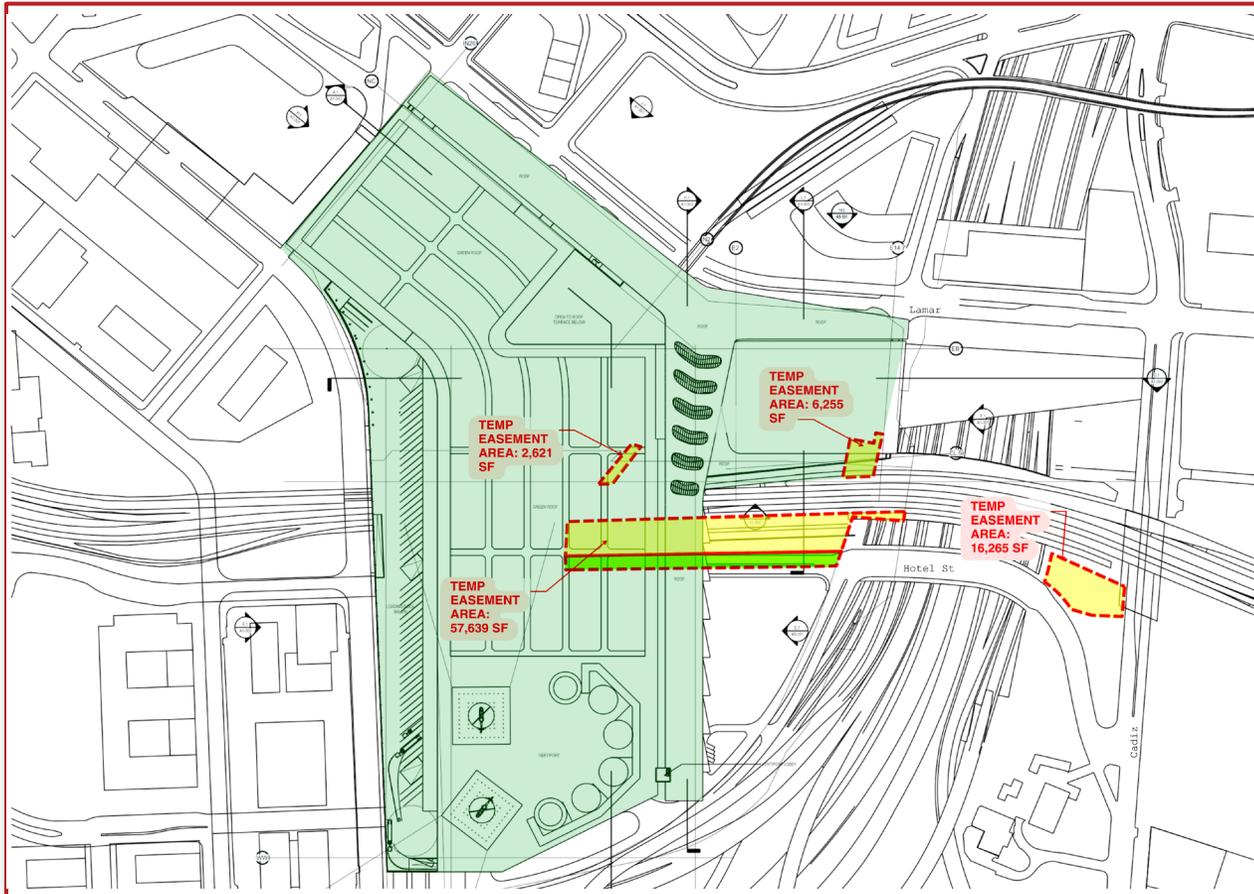
**Red** – Convention Center District

**Blue** – Study Area



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# Original Concept and Accommodations



## ORIGINAL CONCEPT — CONSTRAINTS

The original concept conflicted with the TxDOT I-30 and Union Pacific Railroad corridor.



### TxDOT I-30 Right-of-Way

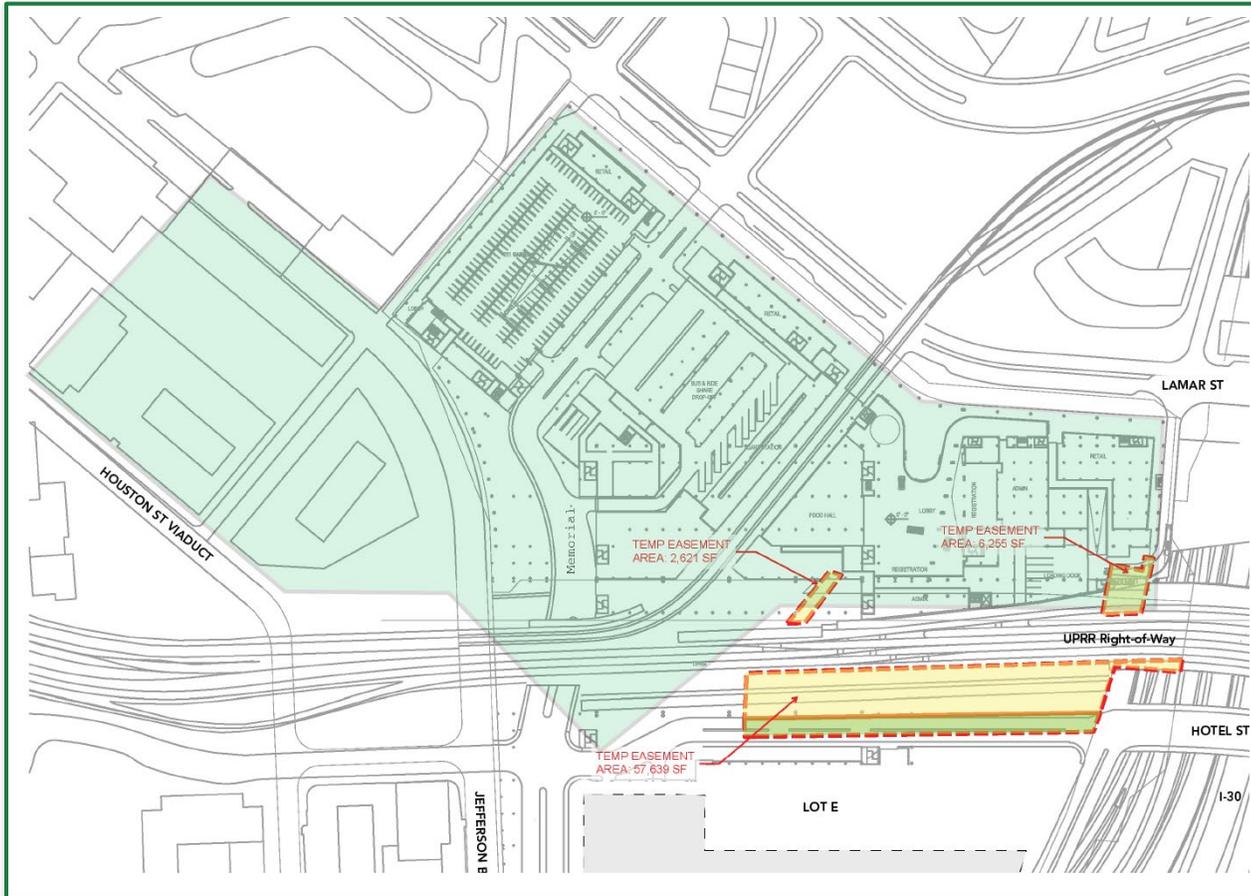
Original concept conflicted with TxDOT right-of-way plans over I-30



### Union Pacific Railroad

Active freight rail corridor — dozens of trains daily through the site

# New Orientation Avoiding Easements



## REORIENTED DESIGN — SELECTED

**The building was reoriented to avoid the TxDOT / UPRR corridor entirely.**

*Council Approved | Now Under Construction*

- ✓ Avoids TxDOT and UPRR conflicts
- ✓ Contiguous exhibit hall with skyline views
- ✓ Connects Downtown to The Cedars and South Dallas
- ✓ Demo has begun and design and construction teams are now engaged

# Business Case for a New Convention Center: Planning and Pre-Development



**~948**

## Lost Event Bookings

Bookings lost over the last 15 years due to facility challenges and outdated infrastructure



**\$600M+**

## Deferred Maintenance

Accumulated maintenance issues across a facility built in five distinct phases (1957–2002)



**\$0**

## Borrowed During Planning

Master planning funded via CES capital construction fund; reinvesting patch-repair dollars into future planning

# Planning / Pre-Development / Construction: Engagement Partners



## GOVERNMENT & REGIONAL

- North Central Texas Council of Governments
- Texas Department of Transportation
- Dallas Economic Development Corporation



## RAIL & TRANSPORTATION

- Dallas Area Rapid Transit
- Amtrak
- BNSF Railway
- Trinity Railway Express
- Texas Central
- Union Pacific Railroad



## CIVIC & PARKS

- Trinity Park Conservancy
- Trinity Corridor Local Government Corporation
- KBHCCD Master Plan Mayor's Taskforce



## TOURISM & HOSPITALITY

- Hotel Association of North Texas
- Visit Dallas (Convention & Visitors Bureau)
- Dallas Sports Commission
- Dallas Convention Center Hotel Development Corporation



## DOWNTOWN ORGANIZATIONS

- Downtown Dallas, Inc.
- Dallas Regional Chamber
- Greater Dallas Planning Council
- Dallas Tourism Public Improvement District



## DOWNTOWN DEVELOPERS

- Hunt Realty Investments
- Harwood International
- KDC (Kaizen Development)
- Hillwood
- Matthews Southwest
- Hoque Global
- Wildcat Management
- Charter Holdings



## ARCHITECTURE & DESIGN

- Perkins & Will & Populous
- Bell Corporation
- Corgan
- Joby Aviation
- WSP

# Component 1 – Consulting, Design and Construction Team

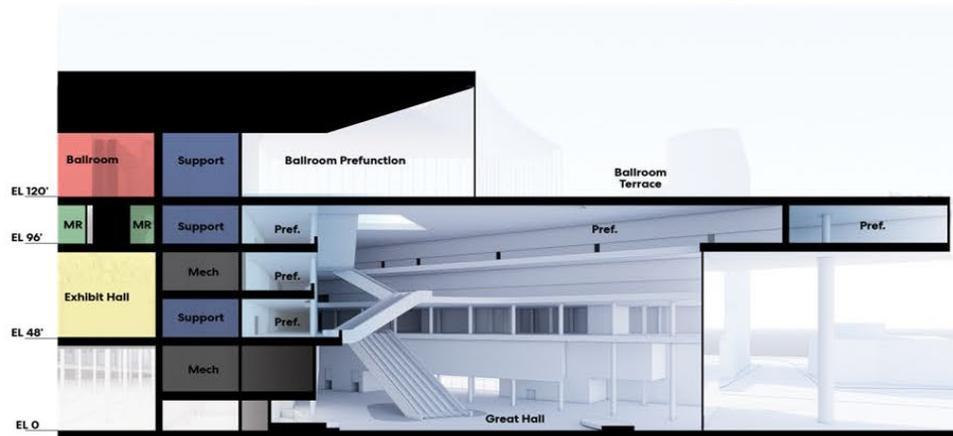


Role	Program Manager / Owner's Representative	Insurance Consultant	Architect / Engineer	Construction Manager at Risk
<b>Description</b>	Inspire Dallas, a 26-member team led by Matthews, oversees program development and acts as owner's representative for the City.	Marsh serves as the insurance consultant and will assist in procuring all owner-related coverages (OCIP, Builder's Risk, etc.)	Amplify Dallas, led by Perkins+Will and Populous, is responsible for all design and engineering for the project.	Trinity Alliance, a 16-member team led by AECOM Hunt and Turner Construction, handles construction management for the project.
<b>Completed Projects</b>	Broward County Convention Center & Hotel, Omni Hotel Dallas	Austin Convention Center, Broward County Convention Center	BMO Centre Calgary, Sydney International Convention Center, San Antonio Convention Center, The Sphere	Las Vegas Convention Center, Austin Convention Center, Fort Worth Convention Center, SOFI Stadium
<b>Contract Value</b>	\$71,000,000	\$2,242,000	\$144,619,808	Pre-Con: \$7,550,000 CoW Limit: ~\$3,321,598,018 CMAR Fee: 2.95%

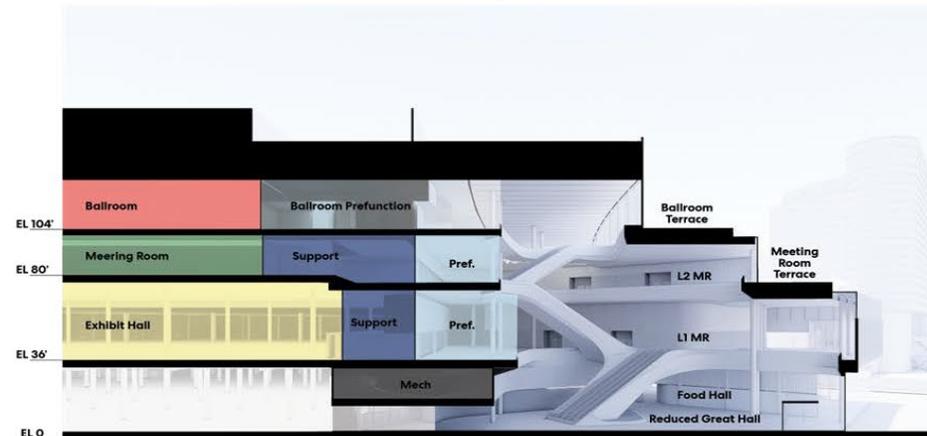
# Component 1– Design Evolution = Construction Cost Reduction

## Design Evolution

May 2025 - Schematic Design



January 2026



### Design Refinements

- + Optimized Building Area - No Reductions In Sellable Area
- + 16' Reduction in Height of the Building
- + Simplified & Improved Vertical Circulation
- + Improved Structural Efficiencies Through Coordination
- + Improved Constructibility with Resolving Existing Conditions
- + Improved Guest Experience & Connectivity
- + Improvements based on Customer Advisory Board Feedback

# Financial Overview – Update

# Funding Sources and Uses

## KBHCCD Estimated Funding Sources

Sources	Timing	Amounts
Debt Issuance: Bridge Loan and Revenue Bonds (First, Second and Third Lien)	4Q26	1,913,000,000
North Central Council of Governments*	2Q27	300,000,000
Asset Sales*	2Q27	227,400,000
State Infrastructure Bank Loan	4Q26	116,000,000
Cash Surplus from HOT/PFZ Collections	Existing	245,000,000
Est. Future 2026 HOT Collections Available	4Q26	56,000,000
Construction Funds Excess Proceeds	Existing	191,600,000
Interest Income during Construction	4Q26	31,000,000
<b>Total Estimated Sources</b>		<b>3,080,000,000</b>

*\*Additional Bridge Loan approval may be needed in anticipation of grant and sales.*

## KBHCCD Total Estimated Construction Cost (Component 1 Breakdown)

Uses	Amount (\$)
GMP #1 Pre-Enabling Works & Enabling Works	247,550,000
Convention Center GMP #2 through GMP #6	2,661,950,000
Contingencies (Escalations + Tariffs = ~ 5.5%)	170,500,000
Construction Manager Fees (2.95%)	Included Above
<b>Total Estimated Uses</b>	<b>\$ 3,080,000,000</b>

Note: Revenues pledged for debt service of KBHCCD revenue bonds include HOT and PFZ revenues but do not include Ad Valorem Tax or other General Fund revenues.

# Actions To Date and Anticipated

## KEY FINANCING EVENTS

PFZ established through Senate Bill 748. 3-mile radius.

*30-Year Period: 2022–2051*

Chapter 334 Hotel Occupancy Tax established (Brimer Bill)

**2023 Bonds Sold (\$170M)**

2025 Notes (Bridge Loan) executed (June 2025)

- Q1:** SIB Loan Applied
- Q2:** Bridge loan extension
- Q2:** NCTCOG Grant
- Q3:** SIB Approved
- Q3:** Construction Prices
- Q3:** HVS Study Finalized
- Q4:** HOT/PFZ/Rev Bonds
- Q4:** SIB Sold
- Q4:** Approval of GMP3



## FINANCING SOURCES

■ Existing

**Project Finance Zone Collections**

**351 HOT**

**351 + 334 HOT Revenue Collections**

**2023 Bonds**

**Bridge Loan**

**Extension**

Mar '26

■ Anticipated Funding Sources

Revenue Bonds

SIB Loan

Unspent Proceeds

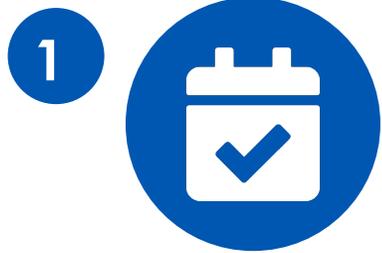
NCTCOG Grant

Asset Sale

Bridge Loan

# How Dallas Books, Incentivizes and Collects Revenue

Marketing and promoting Dallas as a destination for meetings and events



## BOOK



**Visit Dallas**



Books the event & markets the city



## INCENTIVIZE



**Dallas Tourism Public Improvement District**

Provides a local Incentive to events to make Dallas more competitive



**State of Texas**

Reimbursable incentive via the Event Trust Fund

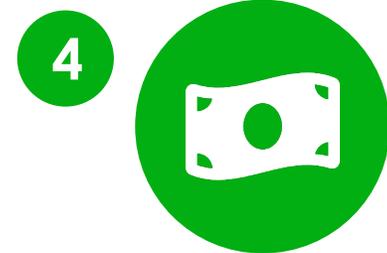


## CONTRACT



**Venue Management Company**

Signs the operating contract & manages the venue



## COLLECT



**The City of Dallas Collects**

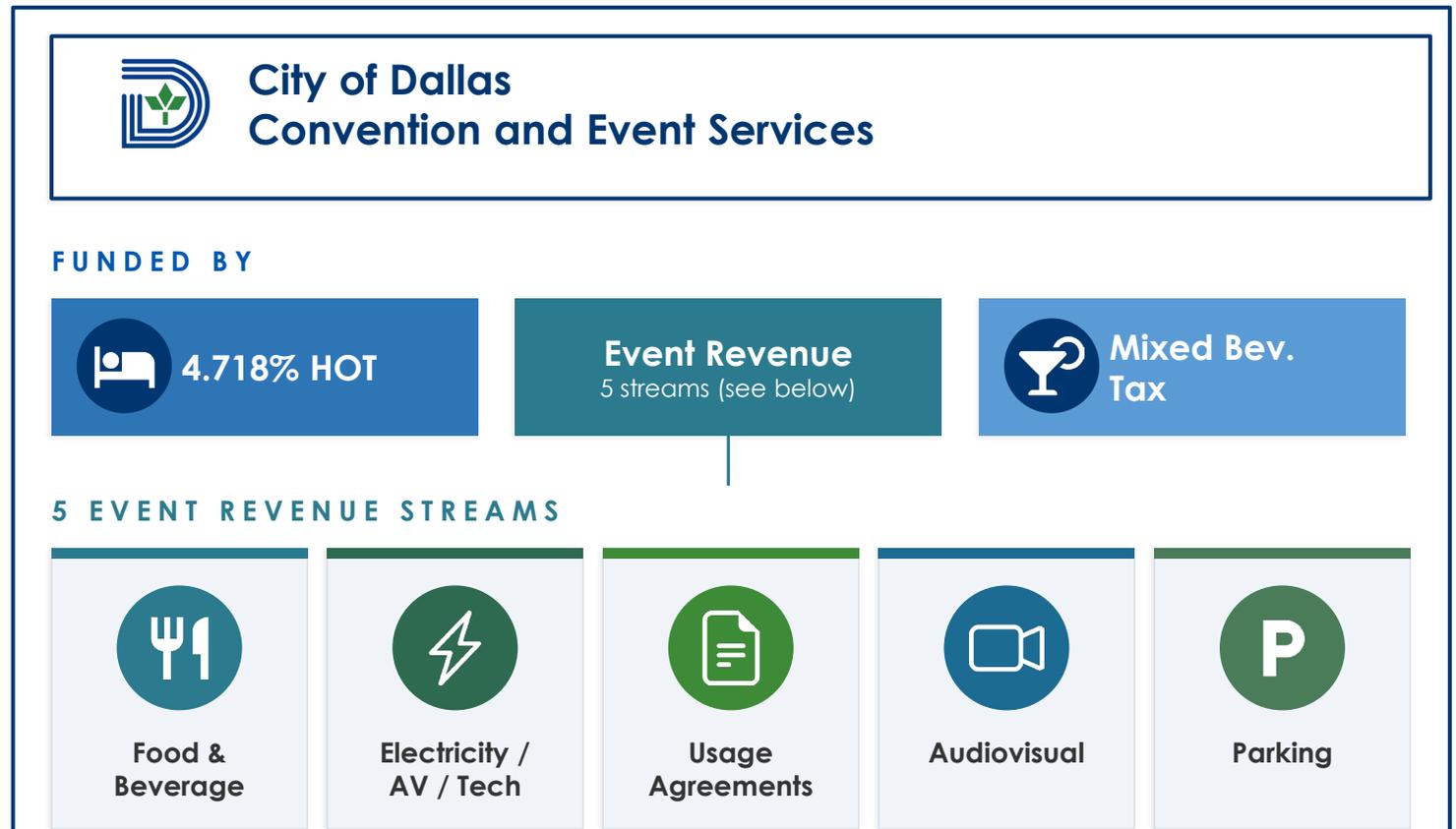
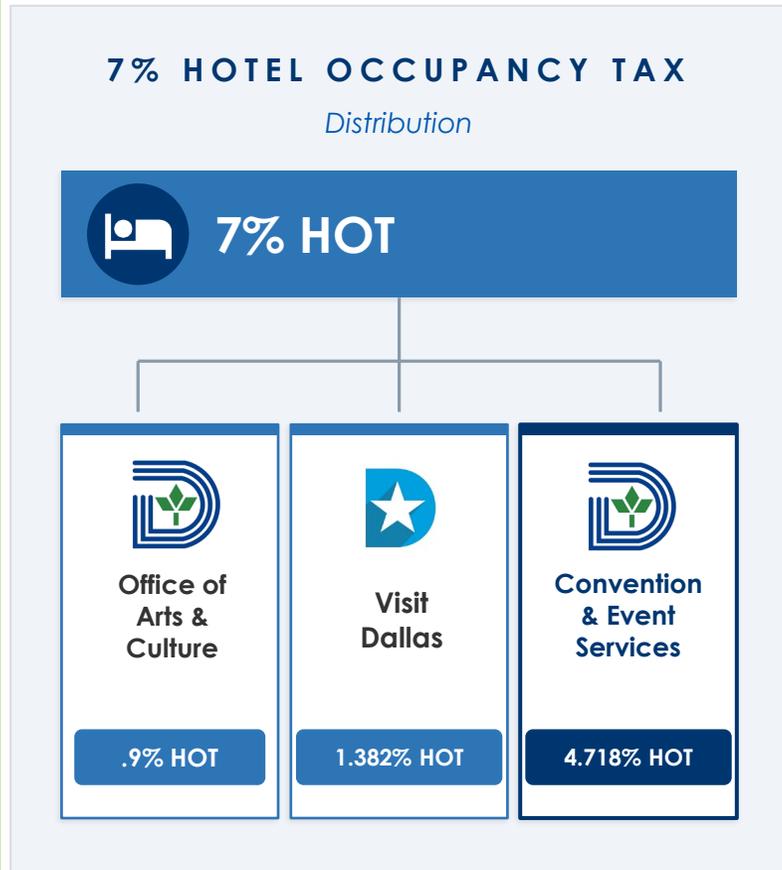


Hotel Occupancy Tax 7% with 4.718% funding the convention center

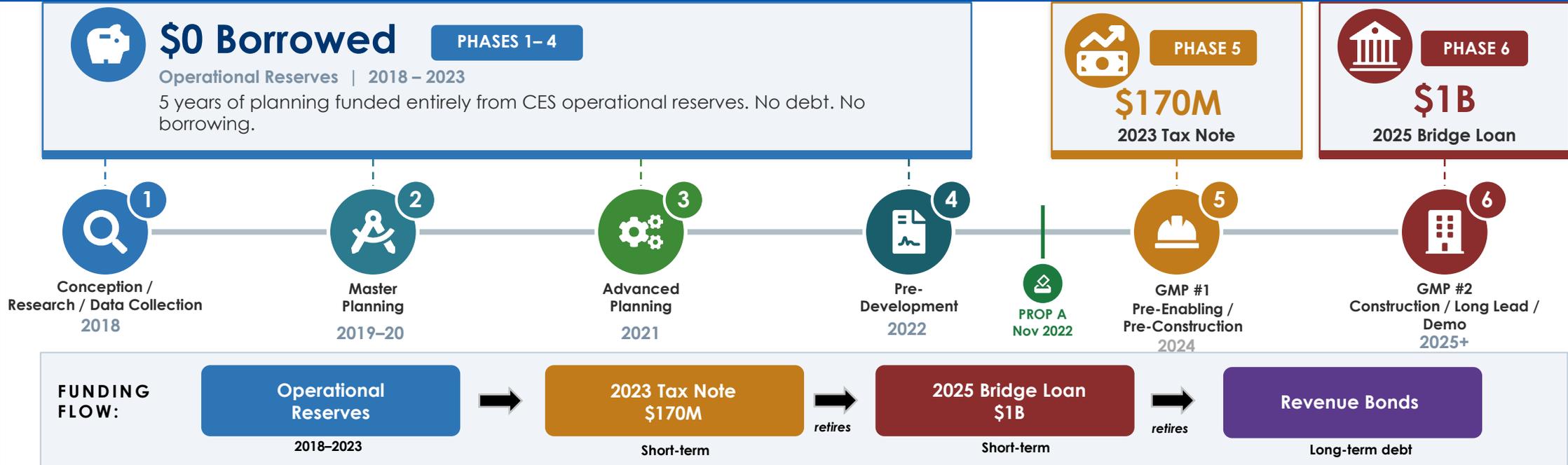


5 Different Event Revenues

# Historical Base Funding Model and Hotel Occupancy Tax Distribution for the KBHCCD



# Master Plan Funding Phase by Phase



## TWO DEDICATED REVENUE SOURCES REPAY DEBT

Project Financing Zone (PFZ) — the larger source — captures incremental state hotel tax and sales tax from hotels and businesses within the zone (47% of Dallas hotel rooms). Prop A (Brimer 2% HOT increase, 80% to KBHCCD) provides the second stream. Together, PFZ + HOT have already generated \$245M+, outperforming projections.



### PFZ is the primary revenue source

The PFZ captures incremental state hotel and sales tax from convention-area businesses.



### Prop A (Brimer) — 80% to KBHCCD

Voters approved a 2% HOT increase in Nov 2022 (70% YES). Of that Brimer revenue, 80% is dedicated to the project.



### Zero impact on Dallas taxpayers

Both PFZ and HOT are paid by hotel guests and convention visitors. No general fund dollars. No property tax increase.

# Pledged Revenues – Hotel Occupancy Tax (HOT) – Chs. 351 & 334

The combined tax rate on room revenues in Dallas is 15.00%, consisting of:

1. a 6.00% State Hotel Occupancy Tax;
2. a 7.00% City Hotel Occupancy Tax (“Chapter 351 HOT”); and
3. a 2.00% City Hotel Occupancy Tax (“Chapter 334 HOT”).

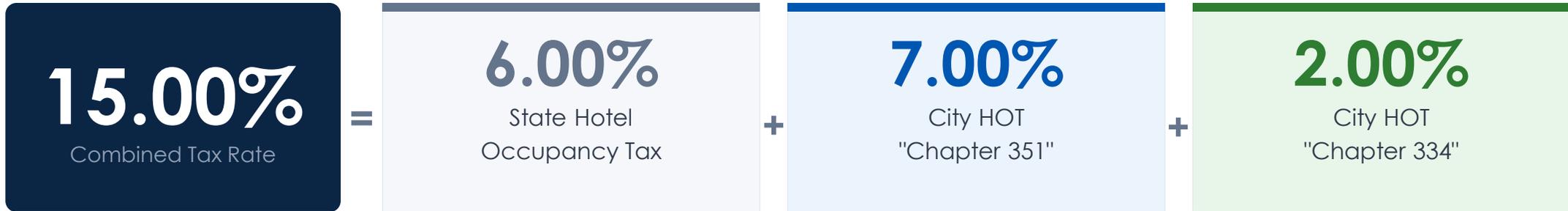
Disposition of revenues collected from the Chapter 351 HOT must be as follows:

- a. From the Chapter 351 HOT, an amount based on a rate of 4.718% is pledged as “Pledged Chapter 351 Hotel Tax Revenues,”
- b. “Pledged Chapter 351 Hotel Tax Revenues” is exclusive of any Chapter 351 Hotel Tax collected in connection with the Convention Center Hotel (OMNI)

Disposition of revenues collected from the Chapter 334 HOT must be as follows:

- a. From the Chapter 334 HOT, the full 2% is pledged as “Pledged Chapter 334 Hotel Tax Revenues”
- b. Of the “Pledged Chapter 334 Hotel Tax Revenues”, 80% is pledged to the Convention Center Bonds, 20% is pledged to the Fair Park Venues

# Pledged Revenues – Hotel Occupancy Tax (HOT) – Chs. 351 & 334



### Chapter 351 HOT Disposition

**4.718%**  
pledged rate

→ Pledged as "Pledged Chapter 351 Hotel Tax Revenues" from the 7% City HOT

**Note:** Excludes any Chapter 351 Hotel Tax collected in connection with the Convention Center Hotel (OMNI)

From the 7.00% City HOT (Ch. 351), a rate of **4.718%** is pledged to the Convention Center

### Chapter 334 HOT Disposition

**2.00%**  
full rate pledged

→ Full 2% pledged as "Pledged Chapter 334 Hotel Tax Revenues"

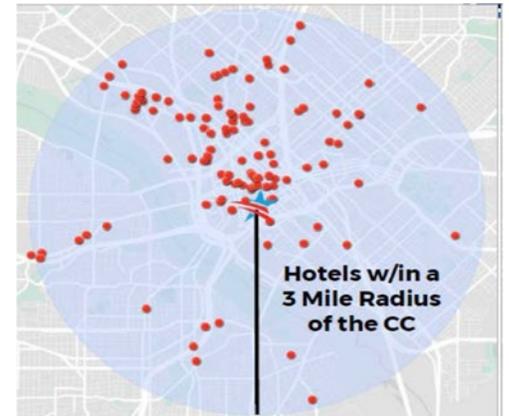
**80%**  
Convention Center Bonds

**20%**  
Fair Park Venues

Of the Pledged Chapter 334 revenues, **80%** goes to Convention Center Bonds, **20%** to Fair Park

## Pledged Revenues – Project Financing Zone (PFZ)

- Texas Senate Bill 748, Section 351.1015, allowed the City of Dallas to designate a Project Financing Zone (PFZ) by drawing a 3-mile radius from the center
- Zone One was accepted by the State Comptroller and in January 2022 and is set to expire October 2051
- Zone captures revenue from which an increment can be redirected from the State's portion of hotel associated taxes over a 30-year period
- PFZ Revenues consist of the following Hotel-Associated Revenues:
  - i. State Sales Tax collected from hotels within the PFZ for the PFZ Term
  - ii. State Hotel Tax from hotels collected within the PFZ for the PFZ Term, and
  - iii. State Mixed Beverage Gross Receipts Tax and State Mixed Beverage Sales Tax collected from hotels within the PFZ for the PFZ Term, all as and to the extent received by the City from the Comptroller pursuant to Chapter 351



# REVENUE SOURCES FOR KBHCCD OPERATIONS AND DEBT SERVICE

## Historical and Projected Revenues (2023-2030)

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Forecast	FY 2027 Target	FY 2028 Planned	FY 2029 Planned	FY 2030 Planned
HOT (4.718%)	54,232,244	54,748,597	53,820,414	60,461,864	57,967,370	59,706,391	61,497,583	63,834,491
MBT	17,844,208	17,850,325	17,794,111	19,209,215	19,785,491	19,785,491	21,620,140	22,268,744
Other	50,656,120	47,381,938	37,088,326	22,899,339	25,924,154	23,417,729	23,417,729	23,417,729
PFZ	43,379,016	49,441,659	45,701,464	49,525,808	51,556,366	53,670,177	55,870,654	58,161,351
New HOT (2%)	14,255,872	19,398,333	19,099,187	19,481,171	19,870,794	20,268,210	20,673,574	21,087,046
	<b>180,367,460</b>	<b>188,820,851</b>	<b>173,503,503</b>	<b>171,577,397</b>	<b>175,104,175</b>	<b>176,847,998</b>	<b>183,079,681</b>	<b>188,769,361</b>

### Legend

- HOT – Hotel Occupancy Tax
- MBT – Mixed Beverage Tax
- Other – Event Revenues
- PFZ– Project Financing Zone
- New HOT (2%) - Brimer

# \$1.913 BILLION HOT/PFZ REVENUE BONDS DEBT SERVICE COVERAGE

City of Dallas - Convention Center Financing Proforma, Assumes Projected Revenue Growth\* \*\*\* Preliminary - For Discussion Purposes Only \*\*\*

A	B	C	D	E	F	G	H	I	J	K	L	M	N
FY	Pledged 351 HOT 4.718%	Existing 351 Debt Service	Surplus 351 HOT Available	Pledged 334 HOT 80% of 2%	Pledged PFZ Increment	Revenue Available For New CC Bonds	Total 1st Lien Debt Service	1st Lien Coverage	Total 2nd Lien Debt Service	2nd Lien Coverage	Total 3rd Lien Debt Service	3rd Lien Coverage	Available Surplus
2026	59,252,802	19,339,250	39,913,552	21,169,445	53,753,884	114,836,880	18,368,537	6.25	14,472,417	6.25	16,585,204	1.05	96,468,344
2027	55,785,360	19,339,000	36,446,360	19,758,564	51,850,501	108,055,425	71,950,202	1.50	14,851,963	1.25	16,993,125	1.05	5,047,602
2028	57,320,738	19,335,800	37,984,938	20,296,057	52,567,310	110,848,304	73,805,088	1.50	16,378,113	1.25	18,769,125	1.05	5,198,129
2029	60,419,730	19,338,400	41,081,330	21,543,336	59,637,167	122,261,832	81,404,588	1.50	17,760,113	1.25	20,340,125	1.05	5,710,007
2030	62,218,345	19,335,800	43,882,545	22,687,393	65,964,706	132,534,643	88,240,813	1.50	17,756,263	1.33	20,340,125	1.05	6,193,593
2031	65,664,956	19,337,400	46,327,556	23,542,071	71,598,127	141,467,754	88,242,738	1.60	17,758,338	1.40	20,342,625	1.12	15,126,129
2032	67,577,770	19,337,200	48,240,570	24,216,224	75,456,666	147,913,460	88,239,288	1.68	17,760,513	1.45	20,340,375	1.17	21,575,460
2033	69,446,295	19,334,400	50,111,895	24,875,867	78,783,211	153,770,973	88,243,263	1.74	17,757,238	1.51	20,348,000	1.22	27,419,198
2034	71,366,485	19,333,200	52,033,285	25,553,550	82,201,734	159,788,569	88,246,638	1.81	17,758,238	1.57	20,344,000	1.26	33,440,694
2035	73,339,769	19,337,600	54,002,169	26,249,769	85,714,779	165,966,717	88,241,663	1.88	17,757,688	1.63	20,343,375	1.31	39,623,442
2036	75,367,613	19,336,400	56,031,213	26,965,031	89,324,960	172,321,204	88,240,863	1.95	17,760,038	1.69	20,345,000	1.36	45,977,654
2037	77,451,528	19,338,800	58,112,728	27,699,859	93,034,963	178,847,550	88,240,938	2.03	17,759,463	1.75	20,347,750	1.42	52,498,825
2038	79,593,063	19,333,600	60,259,463	28,454,790	96,847,547	185,561,800	88,243,588	2.10	20,349,613	1.80	20,340,500	1.47	59,218,250
2039	81,793,811	-	81,793,811	29,230,376	100,765,549	211,789,736	101,115,238	2.09	20,349,613	1.80	23,312,875	1.46	67,011,211
2040	84,055,410	-	84,055,410	30,027,183	104,791,884	218,874,476	101,114,463	2.16	20,349,613	1.80	23,310,250	1.51	74,100,151
2041	86,379,542	-	86,379,542	30,845,793	108,929,547	226,154,882	101,116,488	2.24	20,348,163	1.92	23,312,750	1.56	81,374,657
2042	88,767,936	-	88,767,936	31,686,805	113,181,617	233,636,358	101,114,988	2.31	20,350,038	1.99	23,312,375	1.61	88,860,833
2043	91,222,369	-	91,222,369	32,550,834	117,551,256	241,324,459	101,113,638	2.39	20,349,963	2.05	23,311,500	1.67	96,549,284
2044	93,744,668	-	93,744,668	33,438,510	122,041,715	249,224,894	101,115,563	2.46	20,346,563	2.12	23,312,125	1.72	104,447,244
2045	96,336,708	-	96,336,708	34,350,484	126,656,336	257,343,528	101,118,338	2.54	20,353,463	2.19	23,310,875	1.78	112,567,753
2046	99,000,418	-	99,000,418	35,287,422	131,398,551	265,686,391	101,114,263	2.63	20,348,463	2.26	23,314,375	1.84	120,904,291
2047	101,737,780	-	101,737,780	36,250,009	136,271,889	274,259,677	101,115,638	2.71	20,351,463	2.33	23,313,500	1.89	129,482,077
2048	104,550,829	-	104,550,829	37,238,950	141,279,974	283,069,753	101,116,300	2.80	20,350,938	2.41	23,309,500	1.96	138,292,480
2049	107,441,660	-	107,441,660	38,254,967	146,426,533	292,123,159	101,113,650	2.89	20,349,875	2.48	23,313,250	2.02	147,345,322
2050	110,412,421	-	110,412,421	39,298,804	151,715,394	301,426,619	101,117,050	2.98	20,350,975	2.34	23,314,500	2.08	156,645,194
2051	113,465,325	-	113,465,325	40,371,225	157,086,619	284,811,629	101,114,713	2.82	18,221,650	1.45	20,879,625	1.22	140,032,567
2052	116,602,641	-	116,602,641	41,473,015	-	158,075,656	90,549,850	1.75	18,224,825	1.49	20,874,875	1.25	28,424,531
2053	119,826,704	-	119,826,704	42,604,980	-	162,431,684	90,547,013	1.79	18,222,850	1.53	20,879,375	1.29	32,784,972
2054	123,139,913	-	123,139,913	43,767,948	-	166,907,861	90,550,275	1.84	18,218,800	1.58	20,876,750	1.32	37,255,361
2055	126,544,731	-	126,544,731	44,962,772	-	171,507,503	90,551,988	1.89	18,220,475	1.62	20,876,375	1.36	41,859,966
2056	130,043,693	-	130,043,693	46,190,212	-	176,233,905	90,549,213	1.95	18,225,125	1.66	20,876,500	1.40	46,587,843
2057	133,639,401	-	133,639,401	47,451,161	-	181,090,562	90,548,438	2.00					51,440,500
	\$ 2,884,510,412	\$ 251,376,850	\$ 2,633,133,562	\$ 1,028,293,406	\$ 2,588,720,879	\$ 6,250,147,847	\$ 2,897,505,301		\$ 579,415,017		\$ 663,763,954		\$ 2,109,463,575

\* As of January 23, 2026, Preliminary, Subject to Change

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2027	55,785,360	19,339,000	36,446,360	19,758,564	51,850,501	108,055,425	71,950,202	1.50	14,472,417	1.25	16,585,204	1.05	5,047,602
2028	57,320,738	19,335,800	37,984,938	20,296,057	52,567,310	110,848,304	73,805,088	1.50	14,851,963	1.25	16,993,125	1.05	5,198,129
2029	60,419,730	19,338,400	41,081,330	21,543,336	59,637,167	122,261,832	81,404,588	1.50	16,378,113	1.25	18,769,125	1.05	5,710,007
2030	63,218,345	19,335,800	43,882,545	22,687,393	65,964,706	132,534,643	88,240,813	1.50	17,760,113	1.25	20,340,125	1.05	6,193,593
2031	63,218,345	19,337,400	43,880,945	22,687,393	65,964,706	132,533,043	88,242,738	1.50	17,756,263	1.25	20,342,625	1.05	6,191,418
2032	63,218,345	19,337,200	43,881,145	22,687,393	65,964,706	132,533,243	88,239,288	1.50	17,758,338	1.25	20,340,375	1.05	6,195,243
2033	63,218,345	19,334,400	43,883,945	22,687,393	65,964,706	132,536,043	88,243,263	1.50	17,760,513	1.25	20,348,000	1.05	6,184,268
2034	63,218,345	19,333,200	43,885,145	22,687,393	65,964,706	132,537,243	88,246,638	1.50	17,757,238	1.25	20,344,000	1.05	6,189,368
2035	63,218,345	19,337,600	43,880,745	22,687,393	65,964,706	132,532,843	88,241,663	1.50	17,758,238	1.25	20,343,375	1.05	6,189,568
2036	63,218,345	19,336,400	43,881,945	22,687,393	65,964,706	132,534,043	88,240,863	1.50	17,757,688	1.25	20,345,000	1.05	6,190,493
2037	63,218,345	19,338,800	43,879,545	22,687,393	65,964,706	132,531,643	88,240,938	1.50	17,760,038	1.25	20,347,750	1.05	6,182,918
2038	63,218,345	19,333,600	43,884,745	22,687,393	65,964,706	132,536,843	88,243,588	1.50	17,759,463	1.25	20,340,500	1.05	6,193,293
2039	63,218,345	-	63,218,345	22,687,393	65,964,706	151,870,443	101,115,238	1.50	20,350,413	1.25	23,312,875	1.05	7,091,918
2040	63,218,345	-	63,218,345	22,687,393	65,964,706	151,870,443	101,114,463	1.50	20,349,613	1.25	23,310,250	1.05	7,096,118
2041	63,218,345	-	63,218,345	22,687,393	65,964,706	151,870,443	101,116,488	1.50	20,350,988	1.25	23,312,750	1.05	7,090,218
2042	63,218,345	-	63,218,345	22,687,393	65,964,706	151,870,443	101,114,988	1.50	20,348,163	1.25	23,312,375	1.05	7,094,918
2043	63,218,345	-	63,218,345	22,687,393	65,964,706	151,870,443	101,113,638	1.50	20,350,038	1.25	23,311,500	1.05	7,095,268
2044	63,218,345	-	63,218,345	22,687,393	65,964,706	151,870,443	101,115,563	1.50	20,349,963	1.25	23,312,125	1.05	7,092,793
2045	63,218,345	-	63,218,345	22,687,393	65,964,706	151,870,443	101,118,338	1.50	20,346,563	1.25	23,310,875	1.05	7,094,668
2046	63,218,345	-	63,218,345	22,687,393	65,964,706	151,870,443	101,114,263	1.50	20,353,463	1.25	23,314,375	1.05	7,088,343
2047	63,218,345	-	63,218,345	22,687,393	65,964,706	151,870,443	101,115,638	1.50	20,348,463	1.25	23,313,500	1.05	7,092,843
2048	63,218,345	-	63,218,345	22,687,393	65,964,706	151,870,443	101,116,300	1.50	20,351,463	1.25	23,309,500	1.05	7,093,181
2049	63,218,345	-	63,218,345	22,687,393	65,964,706	151,870,443	101,113,650	1.50	20,350,938	1.25	23,313,250	1.05	7,092,606
2050	63,218,345	-	63,218,345	22,687,393	65,964,706	151,870,443	101,117,050	1.50	20,349,875	1.25	23,314,500	1.05	7,089,018
2051	63,218,345	-	63,218,345	22,687,393	65,964,706	151,870,443	101,114,713	1.50	20,350,975	1.25	23,313,375	1.05	7,091,381
2052	63,218,345	-	63,218,345	22,687,393		136,130,723	90,549,890	1.50	18,221,650	1.25	20,879,625	1.05	6,479,598
2053	63,218,345	-	63,218,345	22,687,393		136,130,723	90,547,013	1.50	18,224,825	1.25	20,874,875	1.05	6,484,011
2054	63,218,345	-	63,218,345	22,687,393		136,130,723	90,550,275	1.50	18,222,850	1.25	20,879,375	1.05	6,478,223
2055	63,218,345	-	63,218,345	22,687,393		136,130,723	90,551,988	1.50	18,218,800	1.25	20,876,750	1.05	6,483,186
2056	63,218,345	-	63,218,345	22,687,393		136,130,723	90,549,213	1.50	18,220,475	1.25	20,876,375	1.05	6,484,661
2057	63,218,345	-	63,218,345	22,687,393		136,130,723	90,548,438	1.50	18,225,125	1.25	20,876,500	1.05	6,480,661
	<u>\$ 2,002,892,281</u>	<u>\$ 251,376,850</u>	<u>\$ 1,751,515,431</u>	<u>\$ 718,014,395</u>	<u>\$ 1,669,032,396</u>	<u>\$ 4,439,912,136</u>	<u>\$ 2,897,505,301</u>		<u>\$ 579,415,017</u>		<u>\$ 663,763,954</u>		<u>\$ 299,227,864</u>

\* As of January 23, 2026, Preliminary, Subject to Change

# Cash Balances through Febuary 2026

Description / Contractor	Budget	Expended To-Date	Available Balance
<b>Capital Construction Transfer</b>			
Convention Center Construction Fund (Fund 0082)	246,601,303	160,510,769	86,090,534
Various Contractors (see Master Plan Component Spreadsheet for breakdown)			
<b>Sub-Total – Cash on Hand</b>	<b>246,601,303</b>	<b>160,510,769</b>	<b>86,090,534</b>
<b>Revenue Tranche (First)</b>			
CCT Revenue Bonds (Series 2023) (Fund 2127)	174,071,840	68,479,797	105,592,043
Various Contractors (see Master Plan Component Spreadsheet for breakdown)			
<b>Sub-Total – Cash on Hand</b>	<b>174,071,840</b>	<b>68,479,797</b>	<b>105,592,043</b>
<b>Other Revenue</b>			
Project Financing Zone	171,891,120	–	171,891,120
2% Hotel Occupancy Tax (HOT) Increase	73,521,158	–	73,521,158
<b>Sub-Total Cash Held in Escrow</b>	<b>245,412,278</b>		<b>245,412,278</b>
<b>Total</b>			<b>437,094,855</b>

# Additional Considerations and Next Steps

# Convention Center Pre-Bookings

## Definite Summary



**71**

Bookings



**1.34M**

Room Nights



**\$1.19B**

Direct Spending



**\$1.88B**

Total Impact

## Tentative Summary



**146**

Leads



**2.45M**

Room Nights

# Risk and Considerations



**External Stakeholder Coordination**



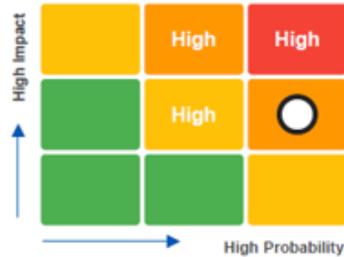
**Underground Obstructions**



**Financial Markets**



**Third-Party Agreements**



**Tariff Impact  
Inflation  
Iran War**



**Real Estate and Easements**



**Labor Market Constraints**



# Component 1 – Timeline (Forecast)



**2026**

Pre-Enabling Works (COE) completion  
 Enabling works and TXCN building demolition  
 Civil works commencement  
 Design Development (DD) completion  
 Construction Documents (CD), design completion



**2027**

Main Structural works commencement  
 Foundations and civil works  
 Piers Drilling Completion  
 Deep Mechanical, Electrical, and Piping (MEP) underground works commencement



**2028**

Power supply completion  
 Structural works completion  
 Mechanical and plumbing continuation  
 Loading dock works completion  
 Building Envelope commencement



**2029**

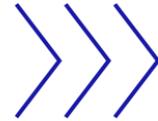
Building Completion  
 Mechanical and plumbing completion  
 Permanent electrical power completion  
 Enclosure completion

# Expected Timeline of Financial Transactions



## Now

- Extend \$1B Bridge Loan
- Finalize RFI and procure Energy contract - P3



## 2026

- Finalize HVS Study (Q3)
- Receive Pricing on Project (Q3)
- Sale of Revenue Bonds and SIB loan(Q4)



## 2027

- New Bridge Loan (Q1)
- Award Contract (Q1)
- Secure North Central Texas Council of Governments Agreement and sale of Assets (Q2)

## Next Steps

### **Convention and Event Services, the City Controller's Office, and financial advisors will:**

- Extend the maturity date of the current Special Tax Revenue Notes, Series 2025 (\$1B JP Morgan Chase loan)
- Coordinate the completion of an updated HVS Study by the end of Q3 2026
- Close the State Infrastructure Bank (SIB) loan by the end of Q4 2026
- Prepare for the issuance of long-term bonds to fund construction costs for the expanded convention center by Q1 2027



# QUESTIONS AND ANSWERS



**SERVICE  
FIRST,  
NOW!**

# **Kay Bailey Hutchison Convention Center Dallas (KBHCCD) Master Plan – Component 1: Financing Update**

## **Finance Committee Meeting**

March 24, 2026

### **Jack Ireland**

*Chief Financial Officer*  
City Manager's Office

### **Rosa Fleming**

*Director*  
Convention and Event Services

### **Jenny Kerzman**

*Assistant Director of Treasury*  
City Controller's Office

### **Carlos Aguilar**

*CEO*  
Inspire Dallas

### **Noe Hinojosa**

*CEO*  
Estrada Hinojosa



# Appendix

# KBHCCD Current Funding Process

## REVENUES

 4.718% HOT

 Event Revenue

 Mixed Bev. Tax



## OUTLAYS

 Operations

 Debt Service

 Capital Maint.

=

## EXCESS

  
Operating Reserves

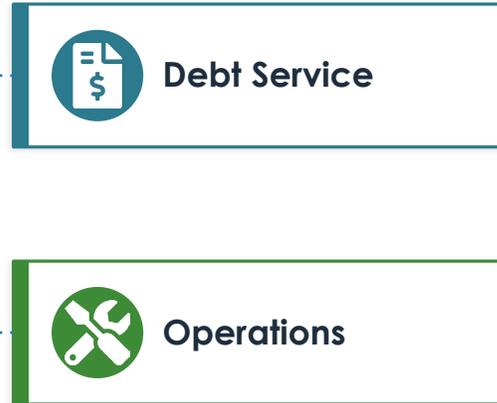
  
Capital Construction Reserve

# Funding Process for the KBHCCD and KBHCCD Master Plan – Pre-Enabling Phase

## REVENUES



## OUTLAYS



## EXCESS

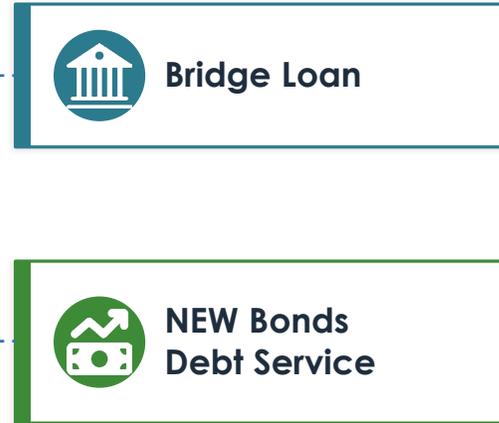


# KBHCCD Funding Process – Post-Pre-Enabling Phase

## REVENUES



## OUTLAYS



## EXCESS

