

Memorandum



CITY OF DALLAS

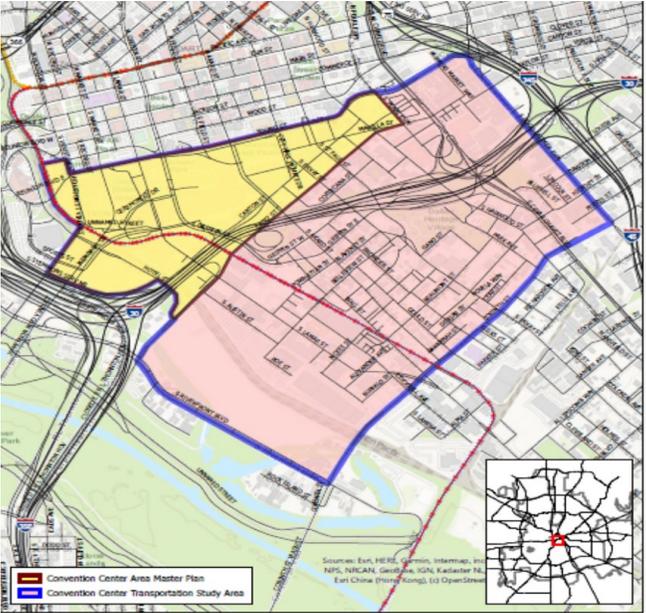
DATE August 13, 2021

TO Honorable Mayor and Members of the City Council

SUBJECT Kay Bailey Hutchison Convention Center Dallas (KBHCCD) Master Plan Contract - Update

Background

The Kay Bailey Hutchison Convention Center Dallas (KBHCCD) Master Plan is in the fifth month of an estimated nine-month development process. The planning contract with WSP USA, Inc. (WSP) was approved by City Council (Council Resolution (CR) 20-0245) on January 27, 2021, based on a recommendation by Convention and Event Services (CES). The master planning process has been underway since the third week of February, with a multi-layered scope that includes providing recommendations for the repair or substantial reconstruction of the convention center, an analysis and land use recommendations for major abutting transportation initiatives, overall project value capture and governance, and land use interaction with current public-private partnership developments for the study area outlined below:



WSP was selected through a dual Request for Qualifications / Request for Proposals process conducted in coordination with multiple stakeholders and fourteen (14) city departments, with the overall goal of procuring a firm that could develop an implementable plan to create a walkable convention center district that incorporates transportation and private development in a way that

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ensures that Dallas remains competitive in the tourism industry. The contract awarded under CR 20-0245 totaled \$4.89M. A recent supplemental agreement increased that amount to \$4.95M.

Planning Process To-Date

WSP and City staff have been developing and evaluating a wide range of alternatives at different investment levels for the KBHCCD and surrounding area. The evaluation process has incorporated a robust stakeholder and engagement process, which has included integrated reviews of goals, objectives, and alternative evaluations. The current scope calls for the delivery of three (3) concepts from which a preferred alternative can be selected by City leadership and the City Council to move into the next phase of design.

The following steps have been completed and are discussed below:

- ✓ Development of the overall Vision, Goals and Objectives
- ✓ Preparation of a list of alternatives for review
- ✓ Phase 1 evaluation of the list of alternatives and the identification of a short list for further review
- ✓ Phase 2 evaluation of selected alternatives

Vision, Goals and Objectives

The Vision Statement summarized the need to invest in the KBHCCD and surrounding district, to ensure the facility remains competitive with other top tier convention centers across the country. The vision statement also addresses the need to provide an exciting and attractive environment around the convention center, that enhances the connectivity between surrounding neighborhoods and downtown, is appropriately served by transportation, and creates the opportunity to leverage and monetize new development to generate funding to offset capital and long-term maintenance costs. From the vision statement, a set of goals and objectives were developed that address each of the important characteristics of the project. Six (6) goals with associated objectives were developed and include:

1. Create a premier Convention Center and District
2. Enhance and leverage transportation assets
3. Create an inviting and exciting district and new connectivity
4. Create and leverage value for funding and financing
5. Develop a strategic phasing plan
6. Prepare a plan that was inclusive, equitable and sustainable

Preparation of the Long List of Alternatives for review

Utilizing the goals and objectives, a list of 16 potential alternatives was developed based on the expected market demand, surveys, research, and discussions with industry experts. Alternatives were developed reflecting a range of investment levels and ability to meet the market demand.

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This range of investments varied from patching and repairing with minor upgrades, to a complete rebuild of the convention center and surrounding district.

Alternatives Under Study

Investment Level	Alternatives				
Big D	1 - Baseline (Patch and Repair)				
Bigger D	2A - Campus		2B - Hybrid/Revised Campus		
Biggest D	3A - Flat East of Lamar	3B - Stacked	3C - Flat West of Lamar	3D - Flat Underground	3E - Flat East of Griffin
Not Developed Further Due To A Fatal Flaw					
Biggest D	3F.1 - Lot E + Hall F reuse	3F.2 - Lot E	3F.3 - Lot E Future Expansion - Exhibit Halls on Level 2	3F.4 - Lot E Future Expansion - Exhibit Halls on Level 0	3G - Former Reunion Arena Site (no graphic developed)

Phase 1 Evaluation of the Long List of alternatives and the identification of a short list for further review

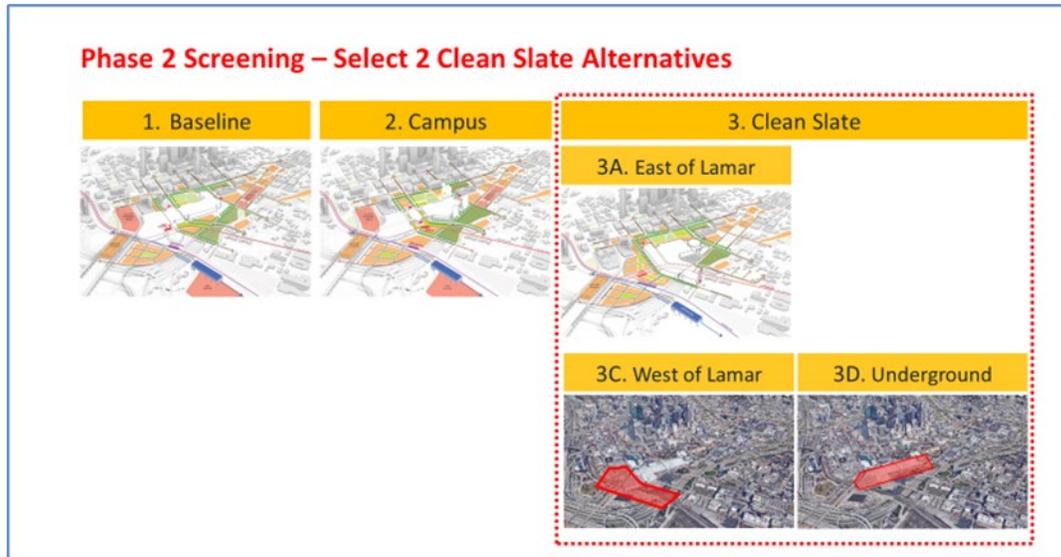
Each of the 16 alternatives was assessed in terms of its ability to meet the market demand, and provide the appropriate size, type and configuration of space to accommodate larger and multiple shows in an efficient manner. From this evaluation, eleven (11) concepts were eliminated. The five (5) remaining alternatives include:

- Baseline – Patch and Repair to meet today’s market demands
- Campus/Hybrid – Which retains portions of the existing facility and provides new construction and space which allows the facility to serve larger shows
- Clean slate/East of Lamar Street – Resulting in a new convention center along the east side of Lamar Street, overbuilding I-30.
- Clean slate/West of Lamar Street - Resulting in a new convention center along the west side of Lamar Street, overbuilding I-30.
- Clean slate/Underground – Resulting in the construction of a new convention center where the entire exhibit floor space is constructed underground.

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Phase 2 Evaluation of selected alternatives



A total of three (3) alternatives that require some level of new construction will be advanced along with the Baseline/Patch and Repair alternative. An analysis of the East and West of Lamar Street alternatives was prepared to determine which option should advance to the next level of evaluation. Both options provide similar levels of benefit in terms of space allocation and opportunities for new development. Additionally, each alternative provides new levels of connectivity to the Cedars neighborhood as they both proposed to extend over I-30. The results of the Phase 2 analysis clearly identified and distinguished that the West of Lamar alternative was superior to the East of Lamar alternative. Therefore the West of Lamar alternative along with the Underground and Campus/Hybrid alternatives are being advanced to a more rigorous evaluation of the facility and associated assets and attributes.

Next Steps

The full draft master plan report will be completed in November 2021. The current timeline anticipates that CES staff will brief the Economic Development Committee in December and full Council in January or February 2022. In the interim, CES staff, in partnership with the City Controller's Office, the City Attorney's Office and the Office of Economic Development are working on funding scenarios that include City Council briefings and recommendations related to the Brimer Bill and the development of a Public Financing Zone that will fund the convention center and some land use components of the KBHCCD Master Plan.

If you have any questions or require additional information, please contact me or Rosa Fleming, Director of CES.

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Assistant City Manager

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