

Memorandum



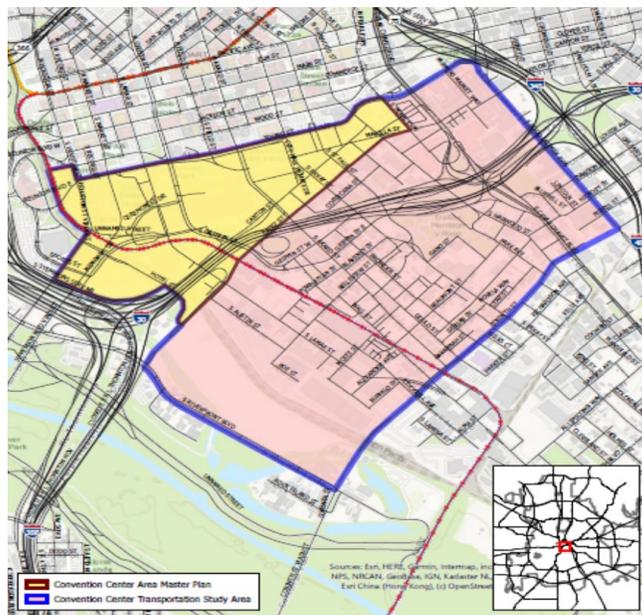
CITY OF DALLAS

DATE January 22, 2021

TO Honorable Mayor and Members of the City Council

SUBJECT **Key Bailey Hutchison Convention Center Master Plan**

Convention and Event Services (CES) staff briefed the Transportation and Infrastructure (TRNI) Committee on December 8, 2020, to request a recommendation for City Council approval of a contractual agreement with a firm to develop a forward-looking master plan for the Kay Bailey Hutchison Convention Center Dallas (KBHCCD) and the surrounding area. The broader study area, including an analysis of abutting transportation initiatives and current public-private partnership developments, is provided below:



The staff recommended firm was selected through a dual Request for Qualifications / Request for Proposals process. The process included coordination with multiple stakeholders and 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 ensures that Dallas remains competitive in the tourism industry.

The TRNI Committee recommended consideration of the contract for the January 27th City Council meeting. There were, however, two outstanding questions related to this item for which the Committee requested clarification in advance of the meeting.

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1. Can the development of the master plan include a “wind-down” analysis for the convention center?

Once the contract receives City Council approval, CES staff will ensure that long-term analysis includes pros/cons for wind down options for the center and its correlated activities.

2. What is the sales tax impact of the convention center?

Given that sales tax collection is not person-specific, there is currently no analysis generated either by Budget and Management Services or VisitDallas that differentiates between a sales tax generating activity by a convention or one by a Dallas resident. However, there is data generated by VisitDallas which provides the average spend of a convention attendee. Based on this data, in an average event year, there are approximately 387k attendees at KBHCCD events, generating approximately \$2.8m in local sales tax.

Additionally, understanding the need for transparency and continued updates related to convention center activities particularly in light of the ongoing pandemic, beginning with the next Budget Accountability Report (BAR) that is distributed by Budget and Management Services, an update on KBHCCD event bookings will be provided each month. The report will also include monthly updates on Hotel Occupancy Tax collections.

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



Joey Zapata
Assistant City Manager

c: T.C. Broadnax, City Manager
Chris Caso, City Attorney
Mark Swann, City Auditor
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizzor Tolbert, Chief of Staff to the City Manager

Majed A. Al-Ghafry, Assistant City Manager
Jon Fortune, Assistant City Manager
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M. Elizabeth Reich, Chief Financial Officer
M. Elizabeth (Liz) Cedillo-Pereira, Chief of Equity and Inclusion
Directors and Assistant Directors