

# **Austin Convention Center**

## **Long-Range Master Plan**

### **Proposed Convention Center Expansion**

**Presented to  
Pedestrian Advisory  
Council**

**March 6, 2017**





## Outline

- Background
- Community/Stakeholder Engagement
- Combining Input, Opportunities, Needs
- Financing



## Background

- Important Past Action/Milestones
  - **March 27, 2014** – contracted with Gensler to develop Austin Convention Center (ACC) Long-Range Master Plan (Plan)
  - **December 11, 2014** – Council Resolution 20141211-218 – Urban Land Institute review Plan
  - **August 24, 2015** – Presented to Economic Opportunity Committee
  - **November 12, 2015** – Council Resolution 20151112-033



## Summary of Master Plan

- Austin's Convention Facility was identified as the top priority, or "weakest link", that needs to be addressed in order to remain competitive
  - Austin's facility is the oldest and among the smallest of competitors
  - Austin's facility's mix of event space is inhibiting performance
- Maximum practical occupancy for a convention facility is 65%
  - At time of Plan (FY13), ACC occupancy was 52%, and is now at 65%
- Lost business due to lack of ACC availability or inadequate size at time of Plan (FY13) was 34%, and has risen to ~50% in FY16
- Plan considered 5 options and recommended expansion to the West
- Expansion to the West forecasts the overall highest/optimal combination of incremental room nights, utilization, revenues of any of the options considered



## Summary of ULI Master Plan Review

- Urban Land Institute (ULI) reviewed the Plan and concurred with the consultants' recommendation. More points about ULI and their work include:
  - ULI's mission is to provide leadership in the responsible use of land and in creating and sustaining thriving communities
  - ULI's goal is to bring the finest expertise in the real estate field to bear on complex land use planning and development projects, programs, and policies
  - The recommendation included direction to:
    - Utilize the option to expand to the West of the existing convention center
    - Expand design plan to create a convention center district
    - Include street level venues, retail and restaurant space
    - Increase Hotel Occupancy Tax to 17% to fund full vision
    - Purchase land now





## Community/Stakeholder Engagement

- To date, ACCD has had conversations, meetings, presentations to many:
  - Town Halls – Districts 1 & 3, 9
  - Downtown resident groups
  - Hotel Community & Employees
  - Downtown Commission
  - Waller Creek Conservancy
  - Rodeo Austin
  - Chambers of Commerce
  - University of Texas
  - Downtown Austin Alliance
  - Austin Area Urban League



Community engagement will be extensive in expansion complex design



## Community/Stakeholder Engagement

- Eventual design will include significant stakeholder/community input
- Features from other sites that could be included: Unique art, food court, retail area, public market, unique community meeting space



Virginia Beach



Phoenix



Grand Rapids



Philadelphia



Community engagement will be extensive in expansion complex design





## Opportunities, Needs, Impact of Plan

- Putting it all together
- Community/Stakeholder Input
- Industry/Convention needs
- Financing Capabilities
- Provides for possibilities



Palm School



ACC Historic Homes

- Financing concepts define the path





## Input, Opportunities, Needs

What we have heard so far –

- Multi-use / Partnership Elements
  - Facility Components
    - Community Space
    - Open / Walkable Space
    - Restaurant / Retail Space
    - Downtown Fire Station
    - Austin Energy Chiller

**“What could your  
Convention Center District  
look like?”**



## Input, Opportunities, Needs



Expansion Funding Concept Determines Opportunities, Impact on Other Projects – Possibilities Exist



## Input, Opportunities, Needs

What we have heard so far -

- Multi-use / Partnership Elements (continued)
  - Area Improvements
    - Waller Creek Area
      - Palm School
      - Historic Homes on Red River
    - Brush Square Area
- Opportunities for Additional Funding for:
  - Cultural Arts
  - Tourism and Promotion
  - Historic Preservation

“What could your  
Convention Center District  
look like?”





## Input, Opportunities, Needs

What we need –

- Industry / Convention Center Needs
  - Need to keep industry strong
    - 4<sup>th</sup> largest employment sector - 124k jobs
    - Diversified economy
    - Provides economic impact to small/local business and City's general fund
  - Need to meet is real
    - Adult education is ongoing
  - Need space to meet demand
    - Today's lost business would fill expanded space



## Financing

How we can get there –

- Two main financing concepts have been identified

Concept	Approval	HOT Rate	Venue	Est Project Capacity*	Potential for Add'l Funding
2% HOT (Ch. 334)	Voter	15%	Yes	~\$400 million	No
2% HOT (Ch. 351)	Council	17%	No	~\$600 million	Yes

\* Project estimates based on current market conditions, conservative revenue estimates, standard financing approach; amounts subject to change



## More Information

### Links to Related Information

- Austin Convention Center Long-Range Master Plan  
<http://www.austintexas.gov/edims/document.cfm?id=242405>
- Vol II Austin Convention Center Long-Range Master Plan  
<http://www.austintexas.gov/edims/document.cfm?id=242406>
- Urban Land Institute's Technical Assistance Panel Report – Review of Long-Range Master Plan  
<http://www.austintexas.gov/edims/document.cfm?id=242407>
- Austin Convention Center Department Responses to Council Resolution 20151112-033  
<http://www.austintexas.gov/edims/document.cfm?id=271538>





# Questions