

Austin Convention Center

Long-Range Master Plan

Proposed Convention Center Expansion

Presented to
Design
Commission

March 27, 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

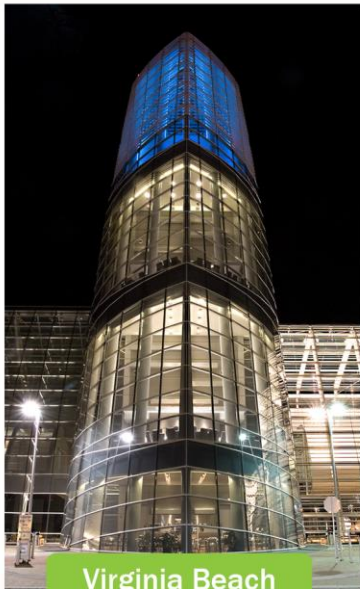


Community engagement will be extensive in expansion complex design



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

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



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



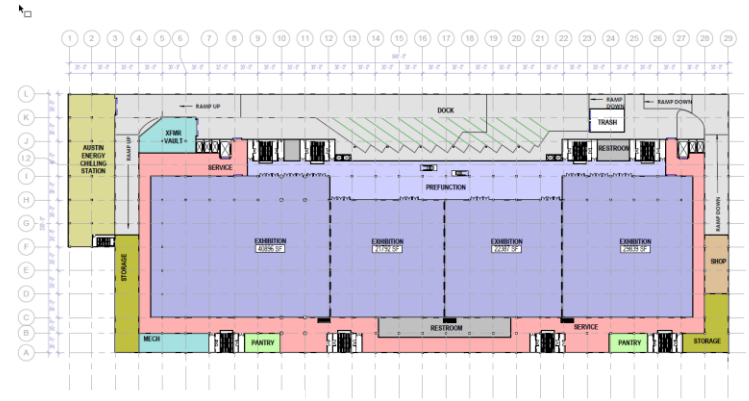
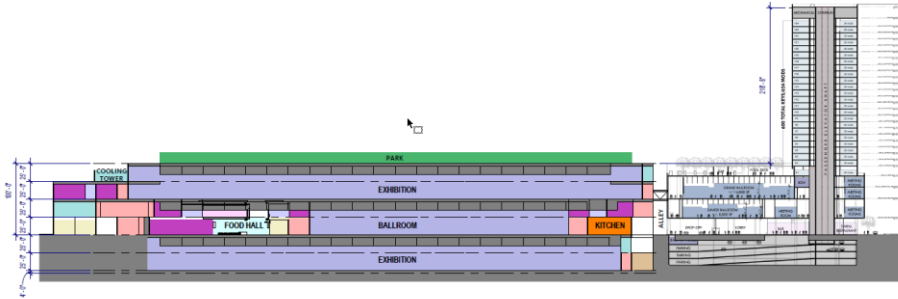
“What could your
Convention Center District
look like?”



Input, Opportunities, Needs

What we need –

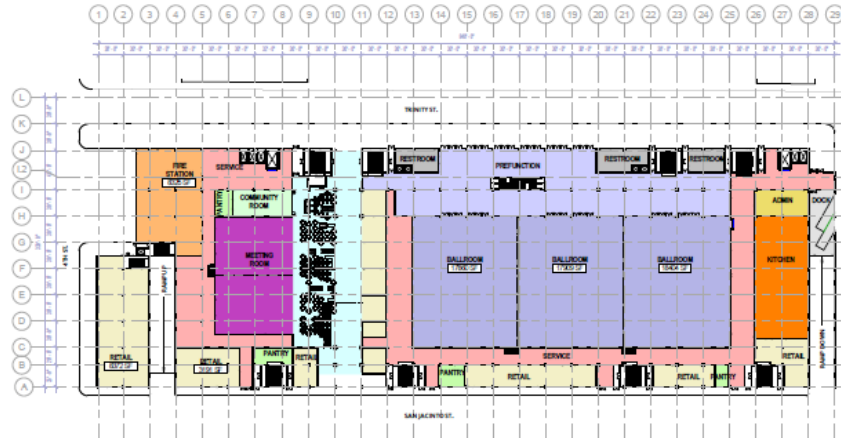
- Industry / Convention Center Needs
 - Need to keep industry strong
 - 4th largest employment sector - 124k jobs
 - Diversified economy
 - Provides economic impact to small/local business and City's general fund
 - Need to meet is real
 - Adult education is ongoing
 - Need space to meet demand
 - Today's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



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Austin Con

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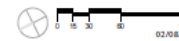
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Austin Convention Center Expansion

LEVEL 1

austin Convention Center Expansion

LEVEL 82





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

Link to more detailed financing information: <http://www.austintexas.gov/edims/document.cfm?id=271208>



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