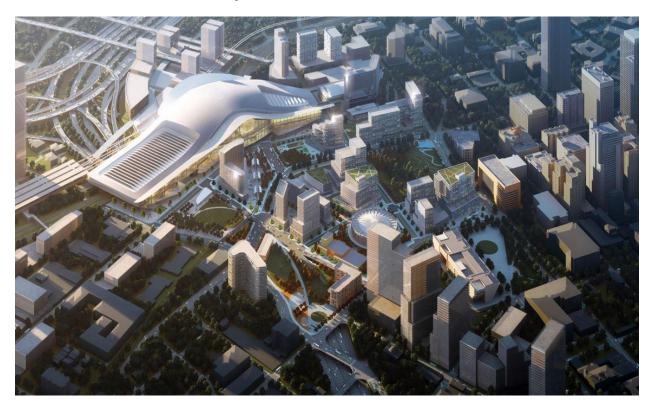


## Dallas Officials Could Decide in February Whether to Rebuild Downtown Convention Center

Dallas council members are set to be briefed on options to revamp the Kay Bailey Hutchison Convention Center on Feb. 2 and could vote the next week on moving forward.



A rendering shows a proposed new downtown Dallas convention center built on the west side of Lamar Street/Botham Jean Boulevard. The city is considering options to revamp it's current Kay Bailey Hutchison Convention Center (Landa, Ruben)

By Everton Bailey Jr.

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The Dallas City Council could vote early next month on whether to approve an <u>up to \$2 billion tear-down and rebuild</u> <u>of the city's downtown convention center</u> or go for cheaper renovation options.

The full council will be formally briefed Feb. 2 on four options to revamp the Kay Bailey Hutchison Convention Center and could decide to vote on which plan to move forward with during a meeting the next week.

The council could also approve moving ahead on seeking voter approval in November to raise hotel occupancy taxes to help pay for the redevelopment.



The city charges 13% taxes on a hotel room. Dallas typically keeps 7% and the state gets the rest. The increase to 15% is estimated to bring in about \$1.5 billion over 30 years.

The City Council in October approved asking the state to designate a three-mile area around the convention center as a "project financing zone," where occupancy, sales and mixed-beverage taxes collected from hotels in that area are used by Dallas for convention center or arena-related projects.

The state has since approved the financing zone, allowing the city to collect all the hotel taxes typically collected by the state starting next year. That could raise an estimated \$2.2 billion for downtown redevelopment projects in and around the convention center for 30 years.

City staff and a consultant group hired to come up with a 10-year redevelopment plan for the convention center have been pushing for the city to demolish the existing building and construct a new 2.5 million square-foot convention center nearby.





A view of the Kay Bailey Hutchison Convention Center side by side with a render of a proposed new downtown Dallas convention center on the west side of Lamar Street/Botham Jean Boulevard and possibly future development around it

The new construction would essentially rotate the building about 90 degrees so that the front of the facility would run parallel with the west side of Lamar Street/Botham Jean Boulevard. Part of the facility would be constructed over Interstate 30.

The current 2 million square foot convention center doesn't have enough rooms, modern updates or surrounding amenities to allow the city to draw the most lucrative events and be competitive with other cities nationwide, they say. Building a new facility has the greatest chance of sparking more development downtown and bring in billions in spending and new property taxes from the area.

The surrounding area would also need more restaurants, hotels, retail and entertainment options as well as walkable space to meet demand. WSP USA Inc., the engineering and design firm leading the redevelopment plan, claims the rebuild option would open up 29 acres in the area which could help create a new mixed-use entertainment district that connects downtown to the Cedars.

Also on the table are an estimated \$500 million option to completely renovate the current facility, including turning the arena into new ballroom and meeting spaces. A third option estimated to cost up to \$1.1 billion would including building a large new ballroom and more meeting rooms.

The fourth option is a variation of the rebuild plan that would see the entire exhibit floor area built underground.



The convention center began as the 350,000 square foot Dallas Memorial Auditorium in the late 1950s and has been expanded five times since then to add exhibit halls, ballrooms and other space. The facility was renamed the Dallas Convention Center in the '70s. The attached Omni Hotel opened in 2011. And the convention center was renamed after former Sen. Kay Bailey Hutchison in 2013.



A rendering shows a proposed new downtown Dallas convention center built on the west side of Lamar Street/Botham Jean Boulevard as well as surrounding redevelopment projects and landmarks.

The convention center has \$500 million to \$700 million in maintenance needs, Dallas' director for convention and event services Rosa Fleming told council members during a Tuesday meeting. The needs include a new roof, escalators and other whole parts of the building that would ultimately need to be reconstructed for upgrades.

Fleming said part of the reason the city hired management services firm Spectra in 2019 to manage the convention center is because the building wasn't being regularly maintained.

The city would focus on the next expansion project without going back to fix issues from the previous one, she said.

"As we lagged year over year, decade over decade, it became an additional compounded problem," Fleming said.

Council member Cara Mendelsohn was the lone official during a council transportation and infrastructure committee meeting to call for a pause to the project. She described the rebuild option as "fantasy land" and said more work was needed to present more practical approaches to making needed repairs and improvements to the convention center.

"We talk about in the past how we just keep adding on without really thinking through everything, and boy, we're just heading down that same road again," Mendelsohn said. "We're not ready for this."

Council member Omar Narvaez, who chairs the committee, was among council members who expressed support for moving the plan forward.

"We just can't throw any more money at patchwork and Band-Aids and trying to keep the convention center going because at some point, it's just going to fall apart," he said.





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