

# Memorandum



CITY OF DALLAS

DATE October 18, 2024

TO Honorable Chair and Members of the Quality of Life, Arts, and Culture Committee

SUBJECT **City Facilities Partners Update – AT&T Performing Arts Center**

The City of Dallas Office of Arts and Culture typically contracts with various Dallas-based arts and culture non-profit organizations for two purposes. The most common is contracting for artistic and cultural services for Dallas residents and visitors. More uniquely, Dallas contracts with select organizations to provide long-term management of City-owned cultural venues. The Office of Arts and Culture (OAC) will provide a series of monthly memoranda as an update on each of our facility management partners in alignment with the Dallas Cultural Plan 2018 initiative to, “increase transparency in facility policies and structures.”

## **About the AT&T Performing Arts Center<sup>1</sup>**

The AT&T Performing Arts Center is a nonprofit foundation that operates and programs a 10-acre campus comprised of three premier performance venues and a park in downtown Dallas. The Center’s mission is to provide a public gathering place that strengthens community and fosters creativity through the presentation of performing arts and arts education programs.

The Center’s performance spaces include:

- Margot and Bill Winspear Opera House, designed by Foster + Partners of London, is a 2,200-seat venue with acoustic performance halls.
- Dee and Charles Wyly Theatre is a 575-seat theatre designed by REX/OMA, Joshua Prince-Ramus (partner in charge) and Rem Koolhaas.
- Annette Strauss Square, designed by Foster + Partners, is an open-air entertainment venue with lawn and patio seating for 2,000
- Elaine D. and Charles A. Sammons Park is an urban park designed by Michel Desvigne and includes the Information Center designed by Foster + Partners.

## **Use Agreement with the City of Dallas**

The use agreement between the City of Dallas and the Dallas Center for the Performing Arts Foundation (now known as the AT&T Performing Arts Center or AT&T PAC) is the key document that governs the relationship between the City and the foundation. It outlines the responsibilities, obligations, and rights of both parties regarding the management, operation, and use of the performing arts facilities. Over time, this agreement has been amended to adapt to changing circumstances and needs. The

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<sup>1</sup> Summary sourced from <https://www.dallasartsdistrict.org/performing-arts/att-performing-arts-center/>

current annual City funding allocation to the Center is \$2,500,000 for annual City operating expenses and \$1,500,000 for additional annual operating City expenses, totaling \$4,000,000. Below is a detailed summary of the original agreement and its amendments:

**Original Use Agreement (2005)** – The original Use Agreement was executed on December 15, 2005. The agreement was part of the larger public-private partnership that allowed for the creation of the AT&T Performing Arts Center. Key elements of the agreement include:

- **Land Contribution:** The City of Dallas provided prime land in the Dallas Arts District for the construction of the performing arts center.
- **Construction and Funding:** The Dallas Center for the Performing Arts Foundation (DCPAF) was responsible for raising the funds needed to design, build, and equip the facilities. The center was constructed using a combination of private donations and public funds.
- **Operations and Maintenance:** The DCPAF (later AT&T PAC) is responsible for the ongoing operation and maintenance of the facilities. The foundation is required to ensure that the facilities are properly maintained to high standards, both aesthetically and functionally, to preserve their value and attractiveness to the public and to performance groups.
- **City Funding Obligation:** Annually, the City shall pay a portion of the operation and utilities cost in an amount not to exceed \$2,500,000.
- **Public Use:** The foundation agreed to make the facilities available for public use, including hosting city-sponsored events, community performances, and other activities that would benefit Dallas residents. This public access is seen as a key aspect of the City's contribution, ensuring that the arts center will serve the broader community, not just the foundation's resident organizations.
- **Term of Agreement:** The original agreement set a 40-year lease term with five (5) consecutive renewal terms of ten (10) years each.

Since the original 2005 agreement, there have been four (4) amendments made to the agreement to reflect changes in the center's operations, financial health, and community needs.

- **First Amendment (2008)** – The first amendment, addressed financial and operational details related to construction of an additional parking garage (located under the Moody Performance Hall) and clarified certain aspects of the operational and maintenance responsibilities of the foundation regarding the additional garage, including allowing for use by DISD.
- **Second Amendment (2008)** – The Second amendment was executed in December 2008 to manage and minimize the sound impact of the Annette Strauss Square on the Morton H. Meyerson Symphony Center. This amendment

introduced a joint plan for annual scheduling of events including day and time restrictions on activities and events performed at the Strauss.

- **Third Amendment (2016)** – The third amendment in 2016 dealt primarily with the financial sustainability of the AT&T PAC. This amendment came after a thorough review of the center's operational model and its ability to meet its financial obligations while continuing to provide high-quality cultural experiences for the public. Key aspects of this amendment included a debt restructuring agreement with the City of Dallas as well as additional funding in collaboration with OAC to provide an annual amount equal to \$1,500,000 for operating expenses related to the Center in consideration of the Center's ongoing work to benefit the performing arts in Dallas. The additional funding began on November 1, 2016, and will continue through and conclude on November 1, 2025.
- **Fourth Amendment (2021)** – The Fourth amendment was executed in March 2021 to amend the booking agreement and restrictions established in the second amendment to allow for further collaboration and coordination of booking activities to maximize the use of Annette Strauss Square and the Morton H. Meyerson Symphony Center.

## 2024 Bond

In the 2024 Bond for cultural arts facilities, the AT&T Performing Arts Center is slated to receive allocated bond funds for the Center campus, and for the Annette Strauss Square, Winspear Opera House, and Wylly Theatre (schedule will be determined at a later date). Below are the amounts of the 2024 Bond allocated for each project:

Cultural Facility	Bond Amount
AT&T PAC	\$881,032
Annette Strauss Square	\$575,575
Winspear Opera House	\$6,614,190
Wylly Theatre	\$5,007,584
<b>Total</b>	<b>\$13,078,381</b>

If you have any questions, please feel free to contact me or the Director of the Office of Arts and Culture, Martine Elyse Philippe, at 214-671-2828 or [martine.philippe@dallas.gov](mailto:martine.philippe@dallas.gov).

Sincerely,



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