

Memorandum



CITY OF DALLAS

DATE April 28, 2023

Honorable Members of the City Council Economic Development Committee: Tennell
TO Atkins (Chair), Carolyn King Arnold (Vice Chair), Adam McGough, Omar Narvaez, Jaime Resendez, Chad West, Gay Donnell Willis

SUBJECT **D CEO's 2023 Commercial Real Estate Awards**

Staff is pleased to announce that several Dallas projects were recently recognized in D Magazine's D CEO 2023 Commercial Real Estate Awards. Launched in 2013, D CEO's annual program celebrates outstanding North Texas commercial real estate projects, transactions, dealmakers, and industry executives driving economic activity in the past year. Winners and finalists were recognized at an awards ceremony on March 28, 2023 and will be featured in the April 2023 issue of D CEO.

Out of a total of 68 finalists across 15 categories pertaining to projects and transactions, 33 of the projects recognized are located within the City of Dallas. Nine (9) of those projects won their respective categories. Among the winners, three (3) projects were directly or indirectly supported by the Office of Economic Development. The table below lists category winners located in the City of Dallas (asterisks indicate projects directly or indirectly supported by Office of Economic Development).

| Category | Award Winner |
|----------------------------------|---|
| Deal of the Year | Kay Bailey Hutchison Convention Center* |
| Best Redevelopment or Renovation | The Manufacturing District (in Design District) |
| Best Office Property Sale | Trammell Crow Center |
| Best Retail Lease or Project | Crescent Court |
| Best Hospitality Project | Hotel Swexan* |
| Best Land Deal | 2727 Turtle Creek |
| Best Community Impact Award | Longhorn Ballroom* |
| Best Urban Office Lease | Texas Capital Bank |
| Best New Office Project | 23 Springs |

Please refer to **Exhibit A** for the complete list of winners and finalists located within the city as well as project summaries for those supported by the Office of Economic Development. For a comprehensive list of all the winners, please visit D Magazine's website at <https://www.dmagazine.com/publications/d-ceo/2023/april/see-the-winners-of-d-ceos-2023-commercial-real-estate-awards/>.

Among the categories celebrating individuals and organizations, the Office of Economic Development would like to congratulate all dealmakers and industry executives for their

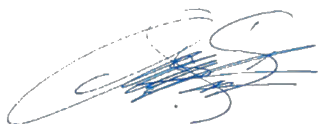
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recognition as economic development catalysts in our city. Special recognition was given to:

- Hunt Realty, Developer of the Year
- Mikial Onu, Founder and CEO of Onu Ventures, 2023 Emerging Commercial Real Estate Leader

Overall, the D CEO's 2023 Commercial Real Estate Awards further highlight the vibrancy and diversity of the commercial real estate market in Dallas and the North Texas region. Staff are proud of the Office of Economic Development's involvement in several of these projects.

Should you have any questions, please contact Robin Bentley, Director, Office of Economic Development, at (214) 671-9942 or Robin.Bentley@dallas.gov.



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Assistant City Manager

c: T.C. Broadnax, City Manager
Tammy Palomino, Interim City Attorney
Mark Swann, City Auditor
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizzor Tolbert, Deputy City Manager
Jon Fortune, Deputy City Manager

M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
Dr. Robert Perez, Assistant City Manager
Carl Simpson, Assistant City Manager
Jack Ireland, Chief Financial Officer
Genesis D. Gavino, Chief of Staff to the City Manager
Directors and Assistant Directors

EXHIBIT A

D CEO's 2023 Commercial Real Estate Awards Dallas Winners & Finalists

Category: Deal of the Year

Winner: Kay Bailey Hutchison Convention Center



The D CEO magazine awarded the City of Dallas the 2023 Deal of the Year for the Kay Bailey Hutchison Convention Center Dallas (KBHCCD) Master Plan and future project implementation. This is the largest City-led economic development initiative in North Texas in the past thirty years. Since 2019, Convention and Event Services have been leading city staff and partners to assess and progress options to address the \$700 million in deferred maintenance at the KBHCCD. Following visits to competing convention centers across the U.S., the City Council voted in February 2022 to expand and relocate the KBHCCD to the west of Lamar Street, thereby freeing up 30 acres of downtown Dallas for future development. This expansion is expected to create approximately 50,000 jobs, and it will connect neighborhoods within and beyond the Central Business District, including the Cedars in south Dallas. Planned upgrades include enhanced transportation options, pedestrian-friendly paths, as well as new restaurant and retail offerings. In November 2022, Dallas voters approved Proposition A, which increased the City's hotel occupancy tax by two percent to fund the project, as well as significant renovations to Fair Park. On Wednesday, March 28, 2023, the Deal of the Year award was presented at the Frontiers of Flight Museum, and Deputy Mayor Pro Tem Omar Narvaez of District 6 and Council Member Jesse Moreno of District 2 accepted the honor on behalf of the City.

EXHIBIT A

D CEO's 2023 Commercial Real Estate Awards Dallas Winners & Finalists

Category: Best Redevelopment or Renovation

Winner: The Manufacturing District



D CEO's 2023 Best Redevelopment or Renovation project was awarded to Quadrant Investment Properties' Manufacturing District, located in Dallas' Design District. The almost 90,000-square-foot office center is complete with outdoor meeting areas, ground floor retail and second-floor tenant lounge with panoramic views of downtown Dallas and nearby Uptown. Quadrant Investment Properties has also completed a \$2 million renovation to The International, a large showroom and retail center and has landed anchor tenants like Alto—with more office projects in the works for the thriving district.

Redevelopment of the Design District has been catalyzed by the Design District TIF District located just to the northwest of downtown, straddling Stemmons Freeway from roughly Wichita Street to Medical District Drive. It was established to assist in the transformation of the old Stemmons Industrial area into a diversified, pedestrian friendly, mixed-use neighborhood near the heart of Downtown Dallas. The mission of the Design District TIF District is to provide a source of funding for public infrastructure improvements to assist in redeveloping an industrial and warehouse district to take full advantage of the expanding DART light rail system, to promote transit-oriented development, to improve access to the Trinity River, and to enhance the quality of development adjacent to the Trinity Corridor.

EXHIBIT A

D CEO's 2023 Commercial Real Estate Awards Dallas Winners & Finalists

Category: Best Hospitality Project

Winner: Hotel Swexan



D CEO's 2023 Best Hospitality Project has been awarded to Harwood International's Hotel Swexan. The Swexan is a 22-story boutique hotel being built at the corner of McKinnon and Moody streets, just west of the Crescent and the Tower Residences Ritz-Carlton condo building. The project has received nearly \$40 million in loans to make sustainable improvements as part of the City of Dallas Property Assessed Clean Energy (PACE) program. The project is utilizing approximately \$39.9 million in PACE financing to make sustainable improvements to the building's HVAC, plumbing, building envelope, glass curtain wall, and elevators, resulting in the savings of approximately 1.2 million kilowatt-hour of electricity and over 420,000 gallons of water annually. The project is by far the largest PACE project ever financed in Texas. The PACE lender, PACE Equity, collaborated with developer Harwood International on mid-construction funding which allowed the developer to cover cost overruns for high efficiency energy and water savings equipment.

EXHIBIT A

D CEO's 2023 Commercial Real Estate Awards Dallas Winners & Finalists

Category: Best Community Impact Award

Winner: Longhorn Ballroom



D CEO's 2023 Best Community Impact Award was given to Longhorn Ballroom for its redevelopment of Dallas' iconic venue. Recognized in 2017 by Texas Monthly as "Texas' Most Historic Music Venue," the Longhorn Ballroom was built in 1950 and operated as a popular music venue for decades. However, since the 1990s, the property became underutilized and had fallen into disrepair. Despite revitalization efforts in 2017, the property remained vacant and vulnerable to incidents of vandalism, burglary, and theft.

In 2021, the Office of Economic Development began coordinating with developer Edwin Cabaniss on his proposal to rehabilitate, revitalize, and re-operationalize both the Longhorn Ballroom and the overall site. The project includes various interior and exterior improvements to the two existing buildings, site improvements, and public infrastructure improvements, with a total estimated project cost of almost \$15 million. In September 2022, City Council authorized a tax increment financing (TIF) development agreement and an economic development grant agreement with Mr. Cabaniss' special purpose entity, Island Rock Holdings, in an amount totaling \$4.15 million to aid the redevelopment project. The Longhorn Ballroom reopened its door for its first show on March 30, 2023.

EXHIBIT A

D CEO's 2023 Commercial Real Estate Awards Dallas Winners & Finalists

Category: Developer of the Year

Winner: Hunt Realty



D CEO's 2023 Developer of the Year was awarded to Hunt Realty Investments. For more than 45 years, Hunt Realty Investments has been involved in real estate investments in the Dallas area, beginning with the purchase of land in 1975 for the renowned Reunion Tower. In 2007, Hunt Realty constructed a headquarters for its parent company, Hunt Consolidated, along Woodall Rodgers, which will soon overlook an expansion of Klyde Warren Park. However, its operations have intensified in recent years with ventures that are poised to truly revolutionize the area. One such project is NorthEnd, an 11-acre project along Field Street near the American Airlines Center. It is planned to feature 3.8 million square feet of mixed-use space, including a 1.5 acre park and a substantial new 980,000-square-foot campus for Goldman Sachs. City Council supported Phase I of the NorthEnd redevelopment through the authorization of an incentive package in June of 2022 to provide a real property tax abatement to Hunt, a business personal property tax abatement to Goldman Sachs, and an economic development grant to support the investment of \$390 million in real property improvements, \$90 million in business personal property improvements and the creation and/or retention of 5,000 jobs.

EXHIBIT A

D CEO's 2023 Commercial Real Estate Awards Dallas Winners & Finalists

Additional Dallas Winners

| Category | Winners Located in the City of Dallas |
|------------------------------|--|
| Best Office Property Sale | Trammell Crow Center |
| Best Retail Lease or Project | Crescent Court |
| Best Land Deal | 2727 Turtle Creek |
| Best Urban Office Lease | Texas Capital Bank |
| Best New Office Project | 23 Springs |

Additional Dallas Finalists

| Category | Finalists Located in the City of Dallas |
|--|--|
| Best New Mixed-Use Project | Maple Terrace |
| Best Redevelopment or Renovation | Lincoln Centre, The Hill |
| Best Office Property Sale | The Luminary*, McKinney & Olive* |
| Best Retail Lease or Project | Poco Fiasco |
| Best Hospitality Project | Rosewood Mansion on Turtle Creek |
| Best Land Deal | Mountain Creek |
| Best Community Impact Award | City of Dallas Fire Station No. 59, the Kathlyn Joy Gilliam Museum and Learning Center |
| Best New Industrial Project | TCC Cedar Alt* |
| Best Suburban Office Lease | AMN Healthcare |
| Best Urban Office Lease | Bank OZK, Haynes and Boone, Lerma, McGuire Woods, Neiman Marcus Group*, TRG |
| Best New Multifamily Project | The Bohme |
| Best New Office Project | 3300 Olympus Blvd*, Harwood No. 14, The Quad |
| Developer of the Year | Granite Properties, Harwood International |
| * Indicates direct or indirect support from the Office of Economic Development | |