



Legislation Details (With Text)

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On agenda: 6/14/2023 **Final action:**

Title: Approve a resolution expressing official intent for the City to reimburse itself for costs and expenses incurred in connection with the Kay Bailey Hutchison Master Plan from obligations that will be issued after the expenditures - Financing: No cost consideration to the City

Sponsors:

Indexes: 2

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Attachments: 1. Resolution, 2. Exhibit A

Date	Ver.	Action By	Action	Result
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STRATEGIC PRIORITY: Economic Development

AGENDA DATE: June 14, 2023

COUNCIL DISTRICT(S): 2

DEPARTMENT: Department of Convention and Event Services

EXECUTIVE: Majed Al-Ghafry

SUBJECT

Approve a resolution expressing official intent for the City to reimburse itself for costs and expenses incurred in connection with the Kay Bailey Hutchison Master Plan from obligations that will be issued after the expenditures - Financing: No cost consideration to the City

BACKGROUND

The Kay Bailey Hutchison Convention Center Dallas (KBHCCD) Master Plan financing strategy is underway. As part of the financing strategy, the City of Dallas will pledge Project Financing Zone (PFZ) incremental funds as approved by the State of Texas Comptroller's Office in November 2021, the 2% increase in hotel occupancy tax (HOT) as approved by voters in November 2022, a portion of local HOT as authorized by City Ordinance 31554, and some portion of KBHCCD event revenues to secure revenue bonding.

These bonds will fund the implementation of the KBHCCD Master Plan working draft completed in March 2023 by WSP USA, Inc. (WSP). On January 27, 2021, the firm completed the draft as approved and directed by Resolution No. 21-0245. The completed draft and the advanced planning documents allow staff to move forward with the implementation of the steps needed to move forward with architecture / engineering / design and construction on the 3C West of Lamar alternative adopted

by City Council February 9, 2022.

As part of the financial strategy, Convention and Event Services will seek reimbursement from revenue bonding for certain costs expended from the department's capital fund. These costs will include administrative and soft costs incurred prior to the bond sale and closing.

This item authorizes the payment of future costs and expenses in connection with the Kay Bailey Hutchison Convention Center Master Plan and to reimburse the City from the proceeds of obligations that will be issued after the expenditure of funds.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Transportation and Infrastructure Committee was briefed on the KBHCCD Master Plan on December 8, 2020.

[The City Council was briefed by memorandum regarding the KBHCCD Master Plan on January 22, 2021. <https://dallascityhall.com/government/citymanager/Documents/FY%2020-21%20Memos/Kay%20Bailey%20Hutchison%20Convention%20Center%20Master%20Plan%20update%20-%20Memo_01222021.pdf>](https://dallascityhall.com/government/citymanager/Documents/FY%2020-21%20Memos/Kay%20Bailey%20Hutchison%20Convention%20Center%20Master%20Plan%20update%20-%20Memo_01222021.pdf)

On January 27, 2021, the City Council authorized the contract with WSP USA, Inc. by Resolution No. 21-0245.

[The City Council was briefed by memorandum regarding progress to-date on the KBHCCD Master Plan on August 13, 2021. <https://dallascityhall.com/government/citymanager/Documents/FY%2020-21%20Memos/KBHCCD%20Master%20Plan%20Contract%20Update_Memo_08132021.pdf>](https://dallascityhall.com/government/citymanager/Documents/FY%2020-21%20Memos/KBHCCD%20Master%20Plan%20Contract%20Update_Memo_08132021.pdf)

The Economic Development Committee was briefed on the KBHCCD Master Plan and the Project Financing Zone on October 4, 2021.

On October 13, 2021, the City Council authorized the designation of Project Financing Zone Number One, City of Dallas, Texas by Ordinance No. 32016, by Resolution No. 21-1650.

The Transportation and Infrastructure Committee was briefed regarding the KBHCCD Master Plan Alternative Recommendation and Requirements Pursuant to Texas Local Government Code Chapter 334 on December 7, 2021.

[The Transportation and Infrastructure Committee was updated by memorandum on questions presented during the December 7, 2021 briefing on December 17, 2021. <https://dallascityhall.com/government/citymanager/Documents/FY%2021-22%20Memos/KBHCCD%20Master%20Plan_Memo_12172021.pdf>](https://dallascityhall.com/government/citymanager/Documents/FY%2021-22%20Memos/KBHCCD%20Master%20Plan_Memo_12172021.pdf)

[The City Council was briefed by memorandum regarding this matter on December 17, 2021. <https://dallascityhall.com/government/citymanager/Documents/FY%2021-22%20Memos/KBHCCD%20Master%20Plan_Memo_12172021.pdf>](https://dallascityhall.com/government/citymanager/Documents/FY%2021-22%20Memos/KBHCCD%20Master%20Plan_Memo_12172021.pdf)

The Transportation and Infrastructure Committee was briefed regarding the KBHCCD Master Plan

Alternative Recommendation and Requirements Pursuant to Texas Local Government Code Chapter 334 on January 18, 2022.

[The City Council was updated by memorandum regarding questions presented during the January 18, 2022 Transportation and Infrastructure briefing on January 28, 2022.](https://dallascityhall.com/government/citymanager/Documents/FY%2021-22%20Memos/KBHCCD%20Master%20Plan%20Update%20Memo%20-%20Follow-Up%20to%20TRNI%20Committee.pdf)
<<https://dallascityhall.com/government/citymanager/Documents/FY%2021-22%20Memos/KBHCCD%20Master%20Plan%20Update%20Memo%20-%20Follow-Up%20to%20TRNI%20Committee.pdf>>

[The City Council was briefed by memorandum regarding questions presented by a constituent regarding the KBHCCD Master Plan on January 28, 2022.](https://dallascityhall.com/government/citymanager/Documents/FY%2021-22%20Memos/KBHCCD%20Master%20Plan%20Update%20-%20Additional%20Questions.pdf)
<<https://dallascityhall.com/government/citymanager/Documents/FY%2021-22%20Memos/KBHCCD%20Master%20Plan%20Update%20-%20Additional%20Questions.pdf>>

The City Council was briefed on the KBHCCD Master Plan Alternative Recommendation and Requirements Pursuant to Texas Local Government Code Chapter 334” on February 2, 2022.

On February 9, 2022, the City Council authorized the adoption of the 3C west of Lamar alternative to implement KBHCCD Master Plan and the city manager to take the necessary steps to implement the 3C alternative by Resolution No. 22-0334.

On May 11, 2022, the City Council authorized providing advance planning and feasibility for the KBHCCD Master Plan by Resolution No. 22-0742.

On September 14, 2022, the City Council authorized Supplemental Agreement No. 1 to the professional services contract with WSP USA, Inc. to provide advance planning, historical documentation, public involvement, non-engineering planning schematics, and railroad coordination as part of the KBHCCD Master Plan by Resolution No. 22-1349.

On September 14, 2022, the City Council authorized a reimbursement agreement with Union Pacific Railroad Company for preliminary engineering services for the portion of the proposed expansion of the Kay Bailey Hutchison Convention Center that impacts Union Pacific Railroad’s tracks, including improvements to infrastructure by Resolution No. 22-1348.

On February 7, 2023, the Transportation & Infrastructure and Economic Development Committees were briefed about the KBHCCD Master Plan - Next Steps during a special called meeting.

The Transportation & Infrastructure and Economic Development Committees were updated by memorandum on questions presented during the special called meeting on February 24, 2023.

The Government Performance and Finance Committee was briefed about the KBHCCD Master Plan and Fair Park Improvements on May 22, 2023.

The Government Performance and Finance Committee was provided an updated briefing about the KBHCCD Master Plan and Fair Park Improvements on June 13, 2023.

FISCAL INFORMATION

No cost consideration to the City.