



AUSTIN CONVENTION CENTER

REDEVELOPMENT AND EXPANSION

UPDATE – 2022

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AUSTIN
CONVENTION CENTER
DEPARTMENT

AGENDA

Redevelopment and Expansion History

Project Proof of Concept

Project Considerations

Project Financing

Hilton Bond Indenture and RFQ Release

Next Steps

EXPANSION HISTORY

EXPANSION TIMELINE

Long Range Plan
Engage Stakeholder
Team

MAY 2014

ULI TAP Report

APR 2015

UT Study
Published

MAR 2019

Council Approves
Palm Park Resolution

MAY 2019

Prop B Election

NOV 2019

Council approval of CMR
Methodology

JUN 2021

MAR 2015

Published Draft
Long Range Master Plan

JUN 2017

Visitor Impact Task Force
Committee
Recommendation

MAY 2019

Tourism Commission
Recommendation

AUG 2019

City Council Approves
Ordinance to Raise
Hotel Occupancy Tax

AUG 2020

Release of
Consultant Report

RECENT COUNCIL ACTION

June 10, 2021- Request for Council approval of the Construction Manager at Risk (CMR) Methodology

Allows the Convention Center team to release RFQ and RFP for architect/design work and the Construction Manager, respectively, with notification to Council prior to release

June 10, 2021- Council Resolution 20210610-096

City Council affirms its commitment to the planning principles documented in Resolution No. 20190523-029, the Palm District Planning Initiative and provides guidance for design elements and direction to be included in the Request for Qualifications (RFQ) for architecture/engineering services for redevelopment and expansion

PROJECT OVERVIEW

- The new Center will be a larger, more efficient facility within a smaller footprint, and the project will deliver an active, community-friendly event facility that enhances the culturally rich fabric of the Palm District

Rentable Square Footage

	Current Space (sq. ft.)	Master Plan Target (sq. ft.)	Proof of Concept (sq. ft.)
Meeting Space	65,000	120,000 – 140,000	152,000
Exhibit Space	247,000	450,000	372,000
Multipurpose Space*			100,000
Ballroom Space	64,000	100,000 – 120,000	85,000
Total	376,000	670,000-710,000	709,000

*Multipurpose Space will bring Exhibit space in line with Master Plan

PROJECT OVERVIEW

FIGURE 1-9
ANNUAL ECONOMIC IMPACT SUMMARY (\$ 2020)

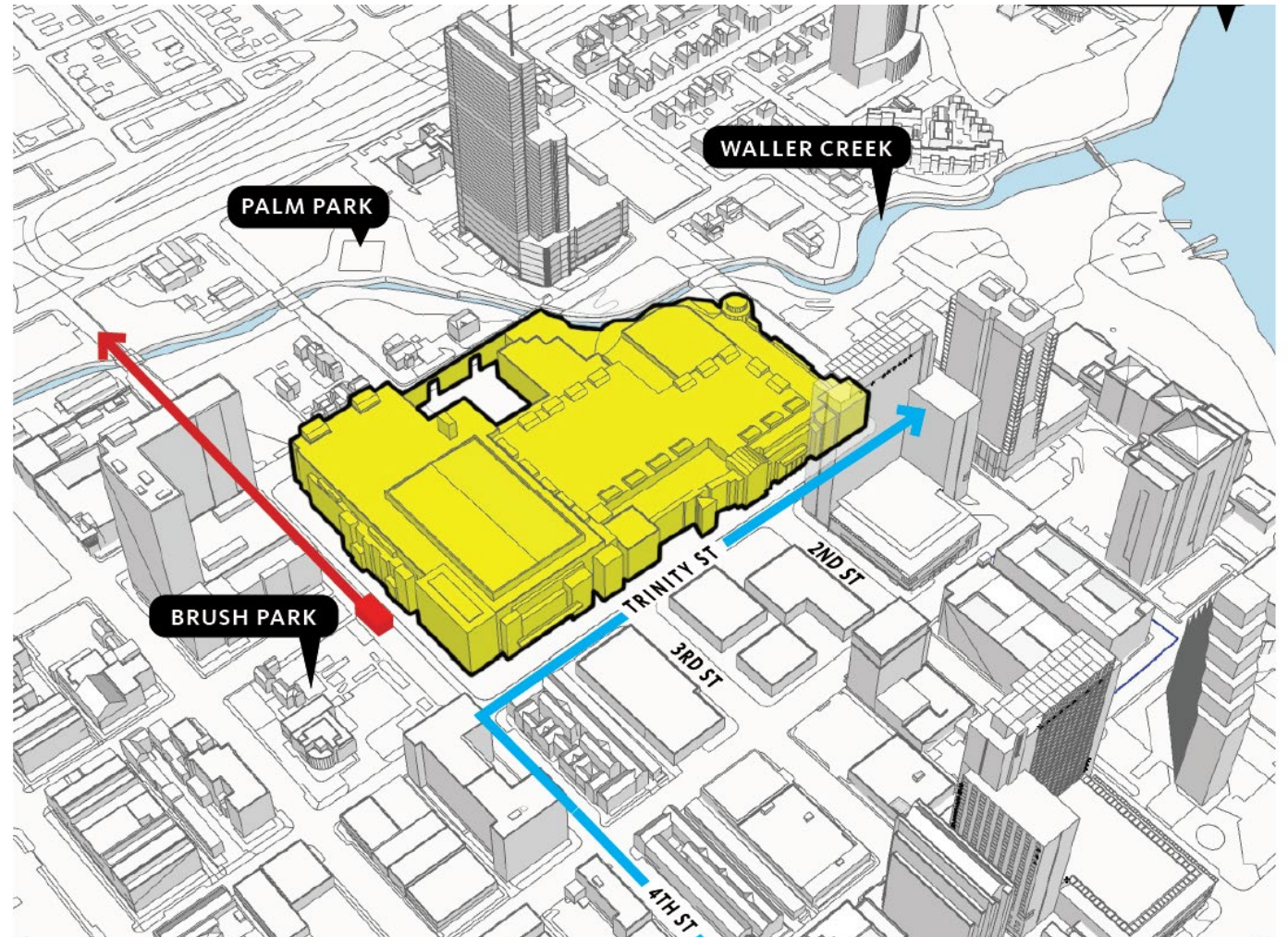
Summary of Impacts*	Current ACC	Increase from Expansion	Total
Economic Impact (millions)	\$468.8	\$285.0	\$753.8
Fiscal Impact (millions)	\$11.75	\$13.85	\$25.60
Jobs	2,715	1,622	4,337
*In a stabilized year.			

Source: HVS

PROOF OF CONCEPT

Existing Site

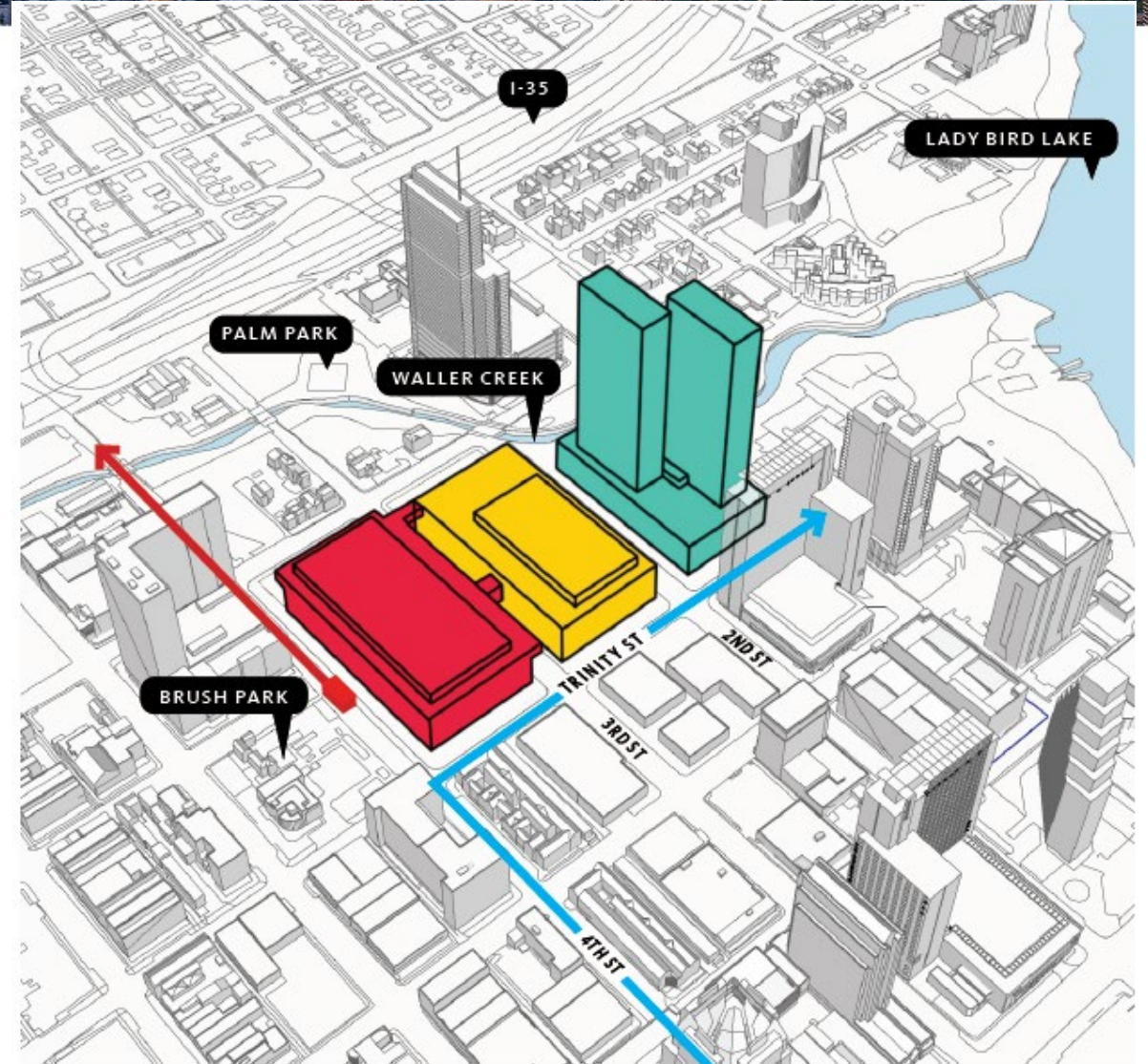
- Barrier between east and west
- No ground level public interaction
- Low density
- No green space
- Inadequate space for event demand



PROOF OF CONCEPT

Overview

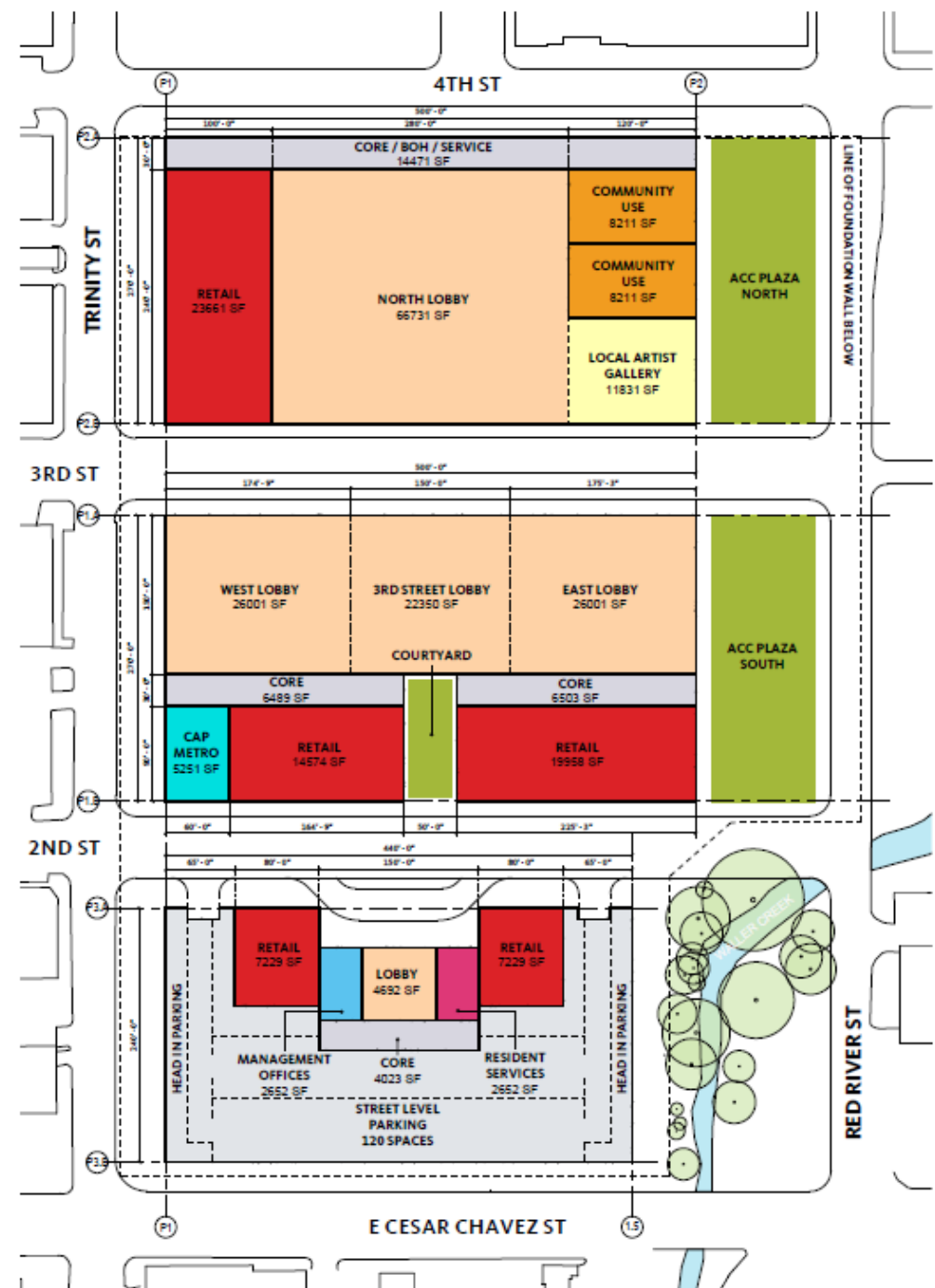
- Reaches target size with a vertical approach
- Integrated redevelopment with adjacent community investments (Project Connect, Palm District)
- Economically beneficial to the City
- Larger facility, smaller footprint
- Exhibit halls and loading docks underground
- Allows for P3 development on the site
- 2nd and 3rd street reopened to multi-modal traffic, reconnecting east and west



PROOF OF CONCEPT

Public Benefits

- Bringing the local community back
- Expansive green space at street level
- Integration with CapMetro's Project Connect Blue Line and Palm District initiative
- Street grid reopened and connected east and west
- P3 development
- Substantial retail opportunities at ground level
- Community space along Red River





PROJECT FINANCING

FINANCIAL MODEL



- Project construction and operations remain fully funded through the Convention Center allocation of Hotel Occupancy Tax (HOT), 2% expansion HOT, and Convention Center revenues.

- Funding model developed in conjunction with City finance team and outside financial advisors

HILTON BOND INDENTURE

AUSTIN

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The Convention Center Expansion Team and consultants have finalized the RFQ and continues to make progress on the many remaining facets of the redevelopment project.



The team is currently working with the Austin Convention Enterprises (ACE) Board and President to pursue a resolution to an “event of default” clause contained in ACE’s Hilton Austin Hotel bond indentures that is anticipated to be triggered by the temporary closure of the Convention Center during construction.



Once a resolution is achieved with regards to this matter, the RFQ will be released.



NEXT STEPS

Release RFQ for
Architecture/Engineering
Services

Release RFP for
Construction Services
released

Contracts to Council for
Approval

ON BEHALF OF THE TEAM
THANK YOU

