

Memorandum



CITY OF DALLAS

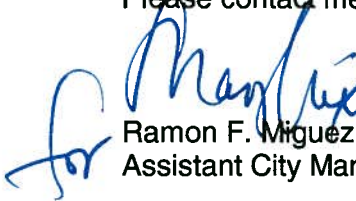
DATE September 12, 2008

TO Members of the Economic Development Committee:
Ron Natinsky (Chair), Tennell Atkins (Vice Chair), Dwaine Caraway, Jerry R. Allen, Sheffie Kadane, Mitchell Rasansky, Linda Koop, and Steve Salazar

SUBJECT Convention Center Arena Upgrades

Attached are the briefing materials on the Convention Center Arena Upgrades to be presented to the Economic Development Committee on Tuesday, September 16, 2008.

Please contact me if you need additional information.


Ramon F. Miguez, P.E.
Assistant City Manager

C: Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
Deborah A. Watkins, City Secretary
Thomas P. Perkins, Jr., City Attorney
Craig D. Kinton, City Auditor
Judge C. Victor Lander
Ryan S. Evans, First Assistant City Manager
Chief David Brown, Interim Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
A.C. Gonzalez, Assistant City Manager
David K. Cook, Chief Financial Officer
Theresa O'Donnell, Director of Development Services
Helena Thompson-Stevens, Assistant to the City Manager

Update – Convention Center Arena

Briefing to the Economic
Development Committee
September 16, 2008



Purpose



- Outline planning process for upgrading Convention Center Arena
- Next steps

Background – City Council Resolution Authorizing Demolition

- On June 25, 2008, the City Council authorized the City Manager to:
 - Close Reunion Arena and to cease accepting bookings for events past June 30, 2008,
 - Develop a Reunion Arena demolition financing plan and schedule, and
 - Develop a renovation and operation plan for Convention Center Arena.





Planning Steps for Upgrading Convention Center Arena

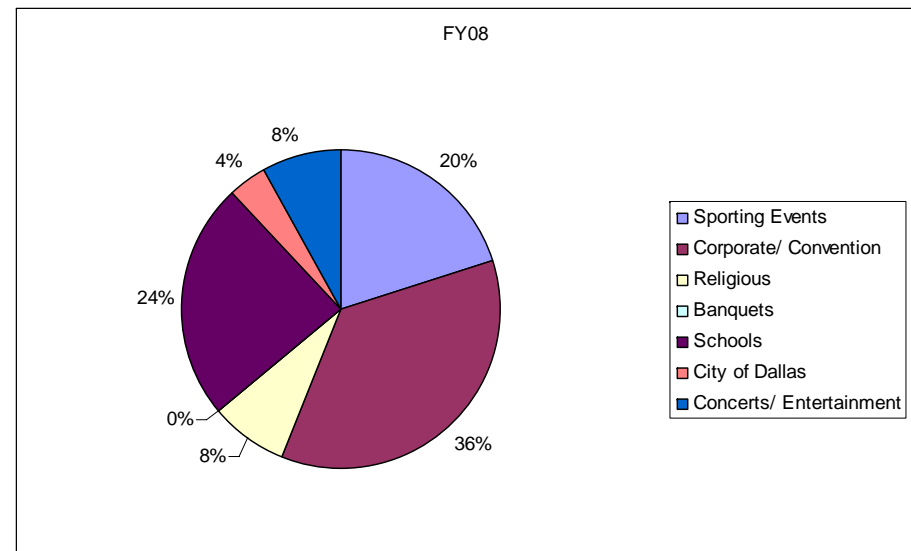
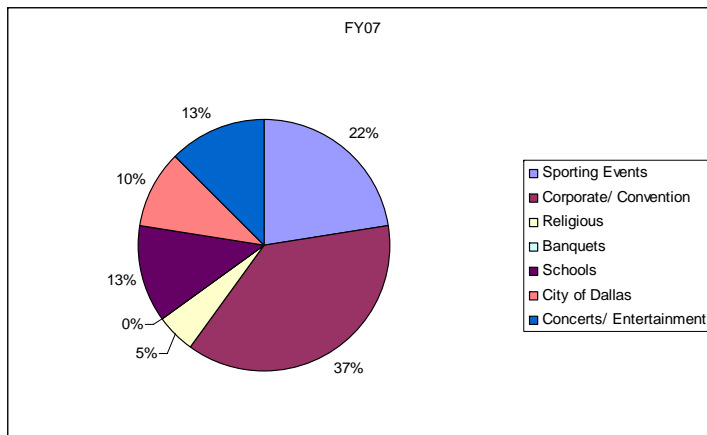
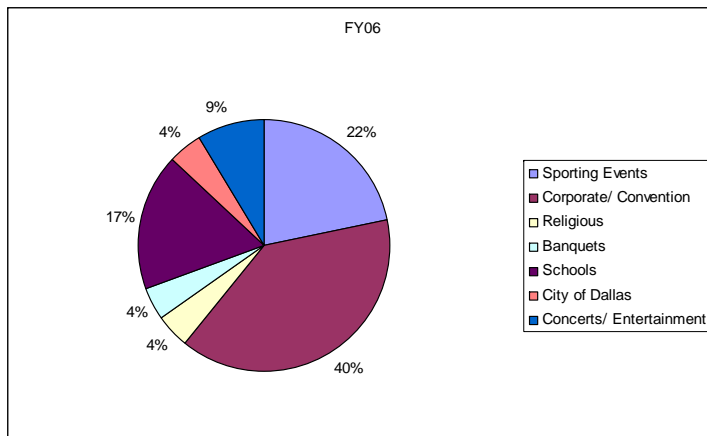
- DCC staff has assessed existing arena needs/deficiencies.
- DCC staff will evaluate market potential to expand current event activity and identify additional improvements and/or industry best practices to support additional business.
- Complete financial analysis that includes construction costs to implement upgrades that have been identified to include a return on investment assessment
- Identify funding source.


Convention Center Arena: What Is It?



- A multi-use venue that can accommodate theatrical/music events as well as sporting events, banquets, and receptions.
- 21,290 sq ft.
- Seats up to 9,816
 - 2,388 floor seating
 - 7,428 balcony seating
- Current Utilization Rate – 164/365 days or 45% (suggests opportunities for growth)

Dallas Convention Center Arena Utilization FY06 – FY08





Upgrades We Know Are Needed Now to Improve Current and Future Use

- Rigging Capacity – reinforcement
 - Dressing Rooms – expand and renovate
 - Seating- reconfigure/ upgrade fixed seating arrangement
 - Improve dock access – currently through exhibit hall A
 - Portable scoring functions for High School/NCAA/BIG 12 activities
- Separate electrical power service for arena events
 - Concessions areas – expanded capabilities
 - Renovation of existing public restrooms
 - Expand and upgrade existing stage, theatrical lighting and sound
 - New Roof
 - Install fire alarm and suppression system



Convention Center Arena: Conducting a Market Assessment

- DCC Arena enhancements to drive expanded event utilization should be measured against potential market demand
 - Conduct a market analysis to:
 - Identify event growth potential,
 - Recommend capital improvement required and
 - Develop promotion/marketing strategies
 - Assess return on capital improvements



Next Steps/Schedule

- Conduct Convention Center Arena marketing analysis.
 - Four month process – October 2008 thru January 2009
- Develop budget for renovation improvement needed for current operation and identified in the market assessment.
 - Two month process – February – March 2009



Questions