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C.H.JOHNSON CONSULTING

ANALYSIS OF TOURISM ECONOMIC DEVELOPMENT STRATEGY

Submitted to:
City of Irving
Irving Convention and Visitors Bureau

Submitted by:
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Executive Summary

Irving has two areas upon which it can influence large-scale development, so as to change the face and character of its community. These are the 450-acre Texas Stadium site and its surroundings, and Las Colinas. Downtown Irving can also be affected, but its tourism impact would be minor due to the limited land available for development.

DFW is boundary-less and can grow at all its edges. Ultimately, this is a tragic solution for the region as services need to be extended out to these edges. Good public policy should support an increasing density in its rail transit corridors and Central Business Districts. As Irving is on existing and soon to be built transit concentrations and is in the direct center of the Metroplex, a higher density development pattern in Irving is appropriate.

The lack of geographic boundaries in the region inhibits excellence in development of product types. Redundant projects are built throughout the marketplace, and while good in their own right, they do not benefit from the leverage of the entire region's focused energy to arrive at world class products.

Often redevelopment projects are anchored by retail and Urban Entertainment Center developments and this may well be the case in Irving. However the spread out nature of development in the region has also caused huge inventories of retail to be built, softening the opportunity for retail to be the natural backbone of such projects.

As such, Irving is left with a huge challenge if it wishes to distinguish itself regionally. It must push for extremely high quality developments (four star or better, as defined in this section) push for high density development in its remaining few development corridors and along transit corridors and accept the fact that retail may not be able to serve as the financial salvation to various initiatives. However, a unique retail project, completed on a luxury scale can succeed and help define the image of the City.

It is our sense that Irving is up to this challenge. As equity, Irving has a can do attitude, ability to execute quickly by public standards, a strong corporate base, an essentially free and clear Texas Stadium site, and at least two tax streams that can be used for economic development and community betterment purposes. The principles of *quality*, *density* and *leverage* will have to be driving forces in what ultimately transpires if Irving is to change its role as a tourism product and destination.

The above points should serve as guiding principles to be considered in site options evaluated for key impact areas in Irving.

Americans are seeking authenticity, indulgence and uniqueness in an easy to acquire manner. Given the decreasing window of opportunity in which to travel, proximity is a key component in their decision process as is the ability to do many things in a short period of time.

Urban destinations that have found success with today's visitor are those that have bundled experience with unique retail and dining, and pampered lodging. They've realized that its more about lifestyle than it is about "attractions." And, by creating a "sense of place" with a myriad of things to do, these destinations begin developing their brand.

DFW has few products that truly distinguish the area as a destination. Because of its presence next to DFW Airport, Irving has a sizeable hotel infrastructure. Other Airport areas nationally have built tourism-based products. Since DFW is growing on all fronts, there is a lot of redundancy of good, but not great, projects. The DFW area is growing substantially and will continue to be a nationally and internationally prominent City. As such, if the market is to leverage its size and reputation, and is to shift its demand curve overall, bolder projects that are unique and distinctive are essential. To accomplish such developments, the public, private and philanthropic communities will have to join forces to make distinctive projects arise. Many such projects are retail-based and this may be the case in Irving, especially at the Texas Stadium site. Some parts of the projects may need incentives or must be public investments, aimed at causing tourism as well as redevelopment impacts on other land uses. This may even be needed for retail projects given the softness of retail in the DFW market today.

Figure 2-1 summarizes the current face of the Dallas-Fort Worth Metro Area, with recommended tourism-based initiatives added in Irving, aimed at serving the entire Metroplex (highlighted in yellow).

The redevelopment of the Texas Stadium site has been the subject of much discussion. Irving is at an important crossroads in the development of the City. An opportunity has presented itself for Irving to redefine the "image" of its City. The decision the City makes regarding future developments sets the stage for development over the next fifty years and beyond. A truly unique project completed on a grand or high-end scale will create an identity for the City and drive quality into future developments.

The size and zoning enable a wide range of development options to be considered at the Texas Stadium site. Including underdeveloped parcels around the stadium

site, approximately 470 acres of developable land enable multiple developments to be considered in conjunction with one another. Potential development options have been broadly considered through the work done by RTKL on the landowners' behalf already. These include:

- Traditional Neighborhood Development / New Urbanism Project and associated retail and commercial development
- World Class Urban Park
- Multi-Sport / Sports Academy Complex.

A retail component has been a key element missing *specific* to the Las Colinas development. The opportunity presented by the development now proposed at "Site 00" can deliver this key element; the development plans would also incorporate a boutique hotel which will further add to the site character and opportunity. An upscale spa could also be considered with the retail development to attract tourist and day visits from residents from Dallas and Fort Worth. This spa needs to be of five star caliber (i.e., Four Seasons) to blend well with the Las Colinas' image. The Omni Mandalay Hotel is currently planning a significant renovation and expansion of its spa; should this come on line, it may provide this element in the immediate area.

A smaller urban park and festival grounds that leverages the water views could also be a consideration for Las Colinas.

These projects combined add an incremental (spending figures will be addressed in Section 6):

- 6,000,000 plus million visitors annually
- 170,000 to 250,000 room nights annually
- 5,000 additional hotel rooms. These rooms are by no means supported solely by these projects, but are appropriate considerations and targets for the areas impacted by these investments over the next 10 or so years.

If Irving should choose to pursue all of the above developments it is estimated that \$184 million in public incentives would be needed to see the projects come to fruition. Elsewhere in this report, we will provide the supporting detail for these incentives.

Not included in these direct impacts are the economic and social benefits that will be enjoyed by Irving, DFW and the State as a whole. In the first instance, Irving will

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accelerate absorption of development in Las Colinas and the Texas Stadium site. It will also complement the entire areas that surround these submarkets and between the 5,000 hotel rooms and minimum 6,000 residential units supported within these development areas will in fact change the face of Irving and a destination and living environment.

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Figure 2-1

"DFW as a Repositioned Tourism Market"							
Genre	Venue	Category	Location	Seating	Visitors per Year	Date Established	Ranking
Attractions	Billy Bob's Texas	Bull-riding, Concerts, Restaurants, and Gifts	Fort Worth	--	540,000	1981	***
	Dallas Zoo	Zoo	Dallas	--	508,708	1888	**
	Fort Worth Botanic Gardens	Botanic Garden	Fort Worth	--	800,000	1984	**
	Fort Worth Zoo	Zoo	Fort Worth	--	1,000,000	1909	**
	Galleria Dallas	Shopping Center	Dallas	--	16,800,000	1982	***
	Grapevine Mills	Shopping Center	Grapevine	--	16,000,000	1997	**
	National Scouting Museum		Irving	--	25,000	2002	**
	North Park Center	Shopping Center	Dallas	--	21,600,000	1965	***
	Six Flags Over Texas	Theme Park	Arlington	--	n/a	1961	**
	Six Flags/Hurricane Harbor	Water Park	Arlington	--	n/a	1996	**
Sixth Floor Museum	Historic Landmark / Museum	Dallas	--	450,000	1979	****	
Tourist Districts	Sundance Square	Entertainment District	Fort Worth	--	10,000,000	1980	***
	American Airlines Center Village	Sporting Events, Concerts, and Family Events	Dallas	--	n/a	2001	***
	Dallas' West End	Restaurants, Clubs	Dallas	--	7,000,000	1970s	***
	Deep Ellum (Deep Elm)	Entertainment and Arts District	Dallas	--	n/a	1920	**
	Las Colinas Shopping District	Entertainment and Arts District	Irving	--	2,000,000		****
	Stockyards Station and Billy Bob's Texas	Historical Stockyard with Shops and Museums	Fort Worth	--	1,301,000	1992	***
	Texas Stadium Traditional New District	Sporting Events, Concerts, and Family Events	Irving	--	3,000,000		****
Cultural Venues	African-American Museum	Museum	Dallas	--	n/a	1979	**
	Amon Carter Museum	Museum	Fort Worth	--	100,000	1961	**
	Bass Performance Hall	Performance Venue	Fort Worth	--	500,000	1997	****
	Casa Manana	Cultural Theatre	Fort Worth	1,800	n/a	1959	**
	Dallas Museum of Art	Art Museum	Dallas	--	500,000	1903	***
	Fair Park Music Hall	Cultural Theatre	Dallas	3,420	n/a	1925	**
	Fort Worth Museum of Science and History	Hands-On Exhibits and Noble Planetarium	Fort Worth	--	994,079	1941	**
	Irving Arts Center	Museum / Theatre	Irving	707	158,000	1986	**
	Kimbell Art Museum	Museum	Fort Worth	--	n/a	1972	**
	Latino Cultural Center	Museum	Dallas	--	39,000	2003	**
	Majestic Theatre	Cultural Theatre	Dallas	1,667	n/a	1921	**
	Morton Meyerson Symphony Center	Cultural Theatre	Dallas	2,062	n/a	1989	***
	National Cowgirl Hall of Fame	Museum	Fort Worth	--	45,000	2001	**
	Nokia Live	Cultural Theatre	Grand Prairie	6,350	n/a	2002	**
	Smirnoff Music Amphitheatre	Cultural Theatre	Dallas	20,111	n/a	1988	**
	Women's Museum	Museum	Dallas	--	75,000	2000	**
Parks	Fair Park	Museums and Performance Centers	Dallas	--	6,500,000	1904	***
	Dallas Arboretum		Dallas	--	350,000	1982	**
	Fort Worth Botanic Gardens		Fort Worth	--	750,000	1934	**
	LB Houston Park	Public Park	Dallas	--	n/a	--	**
	Texas Stadium Urban Park	Public Park	Irving	--	2,000,000		****
White Rock Lake Park	Public Park	Dallas	--	n/a	1930	**	
Sports and Equestrian Venues	Texas Motor Speedway	Motor Sports	Fort Worth	158,585	n/a	1996	***
	American Airlines Center****	Basketball/ Hockey/ af2	Dallas	20,000	n/a	2001	***
	Amerquest Field***	Baseball	Arlington	49,115	n/a	1994	***
	Cotton Bowl Stadium at the Fair Park	Soccer/ Football	Dallas	68,252	n/a	n/a	**
	Dr Pepper Star Center - multiple locations	Mixed Sports	Irving, Duncanville, Euless	--	--	--	***
	Irving Sports Complex/Academy	Sports Complex	Irving	--	500,000		****
	Las Colinas Equestrian Center	Equestrian	Irving	--	2,000	1994	***
	Las Colinas Polo Club	Equestrian	Irving	--	12,500	1996	***
	Lone Star Park	Horse Racing	Grand Prairie	50,000**	n/a	1996	***
	Will Rogers Coliseum	Equestrian	Fort Worth	7,000	n/a	1936	**
Will Rogers Equestrian Center	Fairgrounds, equestrian center	Fort Worth	2,600	800,000	1988	***	

*Home of the NFL's Dallas Cowboys.
 **The facility only has 5,500 permanent seats, but is able to host over 50,000 attendees in a championship day with its ample capacity in lawn seating.
 ***Home of the MLB's Texas Rangers.
 ****Home of the NBA's Dallas Mavericks, NHL's Dallas Stars, and af2's Dallas Desperados.
 *****Fairly small, regional-based tournament facility, part of Frisco Sports Complex, home to the Frisco RoughRiders, a Texas Rangers AA Affiliate team.
 Key: 2stars: Quality level distinguishes project regionally, but not nationally
 3 stars: Distinctive in its niche nationally, but not unique nationally
 4 stars: Of a quality and design that evokes national or even international acclaim
 Note: Venues highlighted in yellow are potential tourism/ visitor oriented developments available to Irving
 Source: Respective Facilities, Johnson Consulting

VI. WHAT IS RIGHT FOR IRVING?

WHAT IS RIGHT FOR IRVING?

The redevelopment of the Texas Stadium site and other available land parcels in the City of Irving has been the subject of much discussion for some time. The City has been approached by several different organizations with simultaneously diverse and similar development proposals, as the City considers its options for redevelopment.

The intent of this study is to provide alternatives for consideration which will result in tourism benefits to the City.

In order to thoroughly examine the range of development options and land uses available to Irving, Johnson Consulting identified five categories to consider when analyzing potential projects. The criteria used to assist in the evaluation of development options are:

1. *Impact Levels* - To estimate the economic impact a project will have on the City, Johnson Consulting estimated economic impacts for alternative development options. This analysis details the direct, indirect and induced economic impact associated visitor spending from a new development. Additionally, this spending analysis will separate the spending generated by individuals from out-of-town versus regional residents.
2. *Feasibility* - The scale of development impacts attendance. At the same time, capital budget levels impact the feasibility of a project. Equally important is to recognize the likelihood of the project coming to fruition with the available resources. The highest and best use of land on paper may not be the most suitable project for the City at the current time. Assessing the feasibility of a project is essential in the selection process. Our assessment balances the need in the market, barriers to entry (such as overall cost, novelty and financing risk) and expected project appeal.
3. *Need within the DFW market* - To ensure the success of any project which Irving pursues there must be a need for the product in the greater DFW area to provide a category of "base" business for the product. If there is no appeal to the local marketplace, the produce cannot be expected to have much visitor appeal. Irving will not achieve its goals of generating new visitor revenues by reproducing a development similar elsewhere in the metro area. Because Dallas already "has everything," any chosen initiative should be done on an

inspiring scale, thus producing something completely unique to the greater DFW area.

4. *Consistency with sites* - Different projects are appropriate for different parcels of land, although some may work well in a variety of settings. Irving must be realistic and select projects that can work with existing land limitations. The project should fit with the image of the existing developments which surround the available land parcels, in order to ensure a consistent feel and create that "sense of place."
5. *Consistency with City and industry goals & objectives* - One of the most important and exciting challenges Irving has is to decide what type of visitor-oriented development the City should move forward with. Weighing into this decision are the varying goals and visions which Irving is trying to achieve with the development. Adding a sports academy or enormous retail complex would have significant and immediate positive economic impact. However, developing an urban park can provide the city with the "soul" that it has been seeking in the short-term and positive economic impact in the long-term. Johnson Consulting will discuss the recommended visitor development options.

These five considerations will enable Irving to determine which will best generate visitor revenues thus providing a strategic revenue stream for the city for the long-term. Figure 6-1 represents the list of top attractions presented previously, with the recommended concepts incorporated to show where they will fit in the landscape.

There are two limiting conditions that must be understood as future development is considered.

1. Texas Stadium has served as the iconic face of Irving to many and the loss of this icon (without knowledge of what will replace it) threatens many in the community. It is our recommendation that the first consideration taken by the community is demolition of the Stadium. In our experience, an unencumbered site has more options than one stigmatized by an obsolete stadium. There are very few successful adaptive reuses of stadiums; however, as evidenced in Houston, the facility could be adapted as part of a multi-venue sports complex.
2. Due to the nature of entertainment districts and their overall business models, a significant portion of the total revenue is generated from alcohol sales. For an entertainment district to thrive, special zoning may need to be created for particular development areas, while still protecting core

neighborhood integrity. In order to attract a critical mass of tourists, national nationally recognized “entertainment brands” need to be incorporated into the development as part of the leasing strategy.

Recommended Development - Texas Stadium

The size and zoning enable a wide range of development options to be considered at the Texas Stadium site, as has been demonstrated by the work done on the landowners’ behalf by RTKL. Including underdeveloped parcels around the stadium site, approximately 470 acres of developable land enable multiple developments to be considered in conjunction with one another. Potential development options include:

- Traditional Neighborhood Development / New Urbanism Project and associated retail and commercial development
- World Class Urban Park
- Multi-Sport / Sports Academy Complex

Typically a major retail development would be a consideration. A retail development is possible on the Texas Stadium site but would have to be on the size and scale of a Mall of America in Bloomington, MN. Undertaking a project of this size raises concerns that the risk from enormous development cost, in a very “soft” retail market, could prove too great. The project would require public substantial incentives and may not be economically practical for the City to pursue, and hence is not highly recommended.

Texas Stadium’s greatest asset is its location. Although the stadium technically sits on an island, it is nonetheless accessible by the intersection of three major interstates dissecting the DFW metropolitan area and is less than 35 minutes from anywhere in the Metroplex. These high volume, limited access highways (State Highways 114 and 183 and Loop 12) carry approximately 800,000 travelers daily, making it the third busiest intersection in Dallas-Fort Worth. Once the DART rail line is extended to the site, its enviable location will be further enhanced, as will its visibility.

Additionally, the presence of the Trinity River through several of the available sites gives Irving additional opportunities for waterfront development and the intrinsic values that brings, as noted earlier.

Traditional Neighborhood Development

Because of its island characteristics, a mid- to high-density residentially based Traditional Neighborhood Development (TND) would be appropriate on this site. The TND would include a comprehensive planning system that includes a variety of housing types and land uses in the defined area, similar to Las Colinas with more of a “small town” effect. The majority of the attributes necessary for this kind of development would have limited tourism impact; they include:

- Educational facilities, civic buildings and commercial establishments located within walking distance of private homes. A network of paths, streets and lanes suitable for pedestrians as well as vehicles would provide residents the option of walking, biking or driving to places within their neighborhood. This development would include civic buildings and civic space -- in the form of plazas, greens, parks and squares to enhance the community and create a sense of identity and value. The development would have amenities in the town square where residents can take care of daily chores such as running to the cleaners or local pharmacy, grabbing a bite to eat or working out at the village gym, etc. A development of this nature could entice individuals who may currently work (but not live) within Irving’s city limits to relocate here. Development of a TND will eliminate a considerable volume of traffic that otherwise would need to leave the area to perform daily tasks.
- A civic campus could also be considered, including a new, iconic city hall to create a “sense of place” with a TND development. The civic campus would ideally be located inside the development where residents would have access to state and city departments such as postal service, judicial courts, Bureau of Motor Vehicles and other municipal/governmental agencies. (Local recent examples of this type of project include Southlake Town Square.)
- The element in this alternative with the most opportunity for significant visitor impact would be the creation of an Urban Entertainment Center (UEC). A project developed similar to Louisville’s Fourth Street Live could be appropriate as part of the TND, as some retail will be needed to support the development. Leasing strategy will be critical to ensure success at both the residential and visitor level if this approach is selected. The urban entertainment center could front along an Urban Park and encompass the design of a European plaza (Plaza Mayor - Madrid, Spain) with the “look and feel of the south,” where boutique retail shops and independently owned restaurants with outdoor dining line the perimeter and Iconic Architecture resides in the middle of the plaza. Flexible, portable facilities to

host live entertainment should be planned into the design of the plaza area, adding a uniquely social element to the area that currently does not exist on a significant scale.

Nationally Prominent Urban Park

In conjunction with the TND, an urban park could be developed on 25-30 acres of the northern tip of stadium site. Developing an urban park in this area would create an extension of the wooded area that is currently being considered for the George W. Bush Presidential Library and offer tie-ins to the University of Dallas campus. Considerations for such a park are provided below.

- In the greater DFW area, the most apparent missing element is a true urban park. The area comes closest to this with White Rock Lake, located on the far east side of Dallas. While it is a vibrant and popular location, it simply is not convenient for residents who live anywhere west of downtown Dallas, including Arlington, Irving, Grapevine and Fort Worth. Nor does it truly offer the scale of a Central, Centennial or Millennium Park. It is important to note that if an urban park strategy is pursued there are critical elements beyond “green space” which must accompany it.
- In order to put the park and Irving “on the map,” the park must be designed and delivered on a grand scale, distinguishing it from other urban parks in the region and country. This is where an approach incorporating Iconic Architecture can be used to elevate a project’s caliber. As discussed in Section 5, Iconic Architecture also can add significant economic and social impact to surrounding office, residential and retail establishments, and serve as an amenity difficult to equal. Millennium Park in Chicago and Centennial Olympic Park in Atlanta are examples of the kind of scale with which the project needs to be executed in order to see a significant positive economic impact in visitor revenues, as well as in residential, office and retail business.
- It is not yet known how the Dallas market would capitalize on a key urban park, but recognizing that the market has interests and demographic profiles similar to Atlanta and Chicago, it can be assumed there would be positive response. An “activation strategy” will be critical to the park’s usage, including performance venues with a planned calendar of activities at all levels. Critical as well would be a Plaza Mayor concept that brings to the park unique restaurant venues, complete with ample opportunity for al fresco dining, which then further creates the visual of “community.” Consideration should also be given to focusing the venue primarily on adults with discretionary dollars, as there are plenty of attractions

throughout Dallas/Fort Worth built for families/multi-generational travelers.

- Completion of an urban park would require Irving to assume a large portion of the development cost. Public/Private joint ventures have occurred in cases such as Millennium Park, where the development cost was too great to be absorbed by the public sector alone. Irving could potentially seek development support from the large corporate presence in the area, as was done in Chicago. However, before first committing to this revenue strategy, it is strongly recommended that the City engage consulting expertise in the field of sponsorship revenues. Changes in corporate philanthropy post-Sarbanes-Oxley and in a continuing recession may make this model difficult to achieve in the current environment, without a true “civic godfather” stepping in.

Multi-Sport Complex

A multi-sport complex built to hold international events and train Olympic athletes, similar to Carson’s Home Depot Center, would require approximately 125 acres and could also be woven into the concept for the area. If this strategy is chosen, a higher density development plan should be considered for the TND, so similar economic returns could be achieved. This venue could include:

- Soccer Facilities and Stadium – Indoor and outdoor
- Baseball Facilities and Stadium – Minor League Stadium
- Diving Facilities – World Class Natatorium
- Basketball Facilities
- Tennis Facilities and Stadium – Indoor and Outdoor
- Track and Field Facilities and Stadium – Indoor and Outdoor
- Equestrian Facilities

In addition to a multi-sport complex, a sports academy where students come from around the country and world to participate in full-time training and education could add an interesting element and help distinguish the complex from other multi-sport developments, including the few in the area. There may also be some degree-related opportunities, with the University of Dallas. Such a facility could also house meeting and exhibit space, which would satisfy the civic demands for

this kind of space, but most likely would not be an appropriate setting for corporate use.

Recommended Development - Las Colinas

A retail component has been the key element missing *specific* to the Las Colinas area. A high fashion retail component needs to be considered in the Las Colinas CBD. Currently there are plans on Site 00, located in the Las Colinas CBD, which include a retail development (tentatively called the Paseo). In theory, this appears to be in concert with what is recommended for Las Colinas. In execution, it would be beneficial if the retail project worked in concert with the Hines retail offering, increasing the overall critical mass of the offering.

Further, for a retail development to be most successful in Las Colinas it should be substantially different than anything else offered in the DFW area, which is difficult to accomplish, given the market's over-saturation with conventional mall and strip mall facilities. Constructing another version of the Dallas Galleria will not differentiate Las Colinas from any other shopping venue in the area. To make a retail development successful it will need to be developed in a highly amenitized way, offering a store mix that includes upscale jewelry, clothing, art galleries, and upscale boutiques. The store mix of The Gardens at El Paseo in the El Paseo shopping district of Palm Desert, California, with an overlay of the store mix of Worth Avenue in Palm Beach, is seen as the target. In both locations, open air markets contain high-end shopping, art galleries and upscale dining. In addition to the traditional retail component, event programming at El Paseo drives business, as The Gardens were designed with areas to host small concerts, art exhibits and community gatherings. The final product created an environment where tourists (and community members) felt as if they were shopping in someplace special.

Other city/state governments have created solutions to the barrier to entry and begun subsidizing tourism development projects up to twenty-five percent of the construction costs through sales-tax TIF credit programs. This practice mitigates a portion of risk developers assume in projects.

Retail development in Las Colinas, at a four-star level, will likely require incentives provided by the City. In some markets (notably Tucson, Phoenix, Kentucky and West Virginia, among others) sales tax TIFs provide the resources to subsidize such retail projects. Texas TIF legislation currently uses property taxes in their TIFs, a far less powerful TIF program. Because the retail market in DFW area is saturated, developers will not be eager to incur the high development costs necessary to yield a unique, upscale retail development. An adequate ROI would be too difficult to achieve should the developer assume the development cost alone. This does not infer that retail development is not attractive in the CBD of Las Colinas.

It is suggested that incentives offered be used to encourage unification and cooperation among the retail strategies of HSM Urban Partners, Gables Residential and Hines Investments, to develop the retail and hotel components in Las Colinas at a quality level, store mix, amenities and aesthetic touches which will create an exceptionally unique retail experience in the DFW area.

Discussions with developers with interests in the area indicate the desire to include a boutique hotel which has the character and charm of "Texas" throughout the lobby, rooms, suites, etc. An upscale spa could also be considered with the retail development to attract tourists, as well as day visitors from DFW residents. This spa would have to be of five-star caliber (i.e., Four Seasons level) to blend well with Las Colinas' current image.

Whatever is done in Las Colinas, there is a significant opportunity to capitalize on the various "waterfronts" available here. In the goals of place-making and product differentiation, Irving has water as an asset that few other places have. Irving should not attempt to re-create San Antonio's Riverwalk, but should look for opportunities to capture what is fundamental about its success and translate that to a Las Colinas setting.

A smaller urban park and festival grounds that leverage the water views would also be a consideration for Las Colinas. The impacts of an urban park were discussed above in the indicated developments for Texas Stadium and the principle assumptions apply for the Las Colinas site as well.

As discussed in the Texas Stadium commentary, an Urban Entertainment District, along the lines of Fourth Street Live, can work here as well, in complement to the proposed Site 00 development. The recent entry of the "Dallas City Limits" development proposed by Billy Bob Barnett may also fit this model.

Investment Summary

Various levels of incentives and commitment may be needed by the City for each of the developments proposed. The following paragraphs recap the level of visitation expected, number of room nights anticipated, approximate level of investment required in each initiative, and incentives or public support likely required by the City of Irving to launch the investments.

Return on Investment

Table 6-1 summarizes the list of developments suggested for Irving and the associated economic impact with each. These impacts are assumed to be at Year Three demand levels and, depending on subsequent marketing and reinvestment

strategies, may stabilize or grow from this base. Often Year One demand is actually higher than Year Three due to the project’s novelty. To calculate the appropriate investment incentives and impact levels, Johnson Consulting established benchmarks from comparable projects profiled in this report.

Table 6-1

Irving Investment Options						
Venue	Category	Visitors per Year	Room Nights Per Year	Hotel Rooms Spawned	Public Incentive	Benchmark
Major, upscale Shopping District or Urban Entertainment Center in either or both Texas Stadium and Las Colinas	Entertainment and Arts District	1,700,000	177,000	1,000	\$14,400,000	El Paseo Shopping District, The Gardens at El Paseo; Fourth Street Live! in Louisville, KY
New Town Development ¹	Residential, Commercial, and Leisure	3,800,000	153,000	1,500	-	Incentive amount equates 25% of Millennium Park; does not include possible private sector support, which equaled 50% of total development costs at Millennium Park
Urban Park ¹	Public Park			1,000	\$100,000,000	
Irving Sports Complex/ Academy	Sports Complex	300,000	100,000	1,000	\$70,000,000	100% of Home Depot Center
Special Events Programming	Occurs in above venues	In above	In above	In above	\$3,000,000	Special events are needed to animate various spaces, hence attendance is reflected in other categories; Incentive reflects seed money for special events programming; Ideally a dedicated funding source plus corporate sponsorships will ultimately fund these events
Total		5,800,000	430,000	4,500	\$187,400,000	

Notes: ¹ While desirable, segregating out information for the New Town Development and Urban Park is not possible, as they are interrelated projects and neither have sufficient definition to allow such detail.

Source: Johnson Consulting

Las Colinas Shopping District

As an entertainment and arts district, the Las Colinas Shopping District is estimated to be able to draw 1.7 million visitors a year. These visitors are projected to generate approximately 177,000 room nights a year, which in turn will generate a basis for supporting up to 1,000 new hotel rooms over a 10 plus yearperiod. As a large scale urban center development, the Las Colinas Shopping District may need a large public incentive, to make it attractive to developers. For example, urban center/retail development of Fourth Street Live! in Louisville, Kentucky, was given a sales tax credit equal to 25 percent of project cost, taken over a ten-year period. The Gardens at El Paseo was developed for \$60 million in late 1990’s. To make a retail venue competitive in the Dallas market, it needs to be developed in such a manner that the quality of the development and luxury of experience are “one of a kind.” Due to the over-saturated retail market, Irving most likely will need to provide the developer an incentive of approximately \$14.4 million (16 percent of the estimated

\$90 million development cost, assuming 300,000 square feet of gross area at \$300 per square foot) to mitigate the risk. A retail development this unique will reinforce the five-star standard associated with the majority of the developments in Las Colinas.

New Town Development

A new town development will help establish a “soul” for Irving, thus creating that missing sense of place. A 300-acre development built with a mix of town homes, mid-rise units and private residence areas, along with a civic campus will help add density to the city. One of the core concepts behind a project like this is to entice residents who currently work in Irving, but live outside of the city, to relocate within City limits. By definition, the more people that live in a area, the more people will be likely to visit, thus adding to hotel room nights and impacting Irving businesses. An example is the development of The Village in West Clay in Carmel, Indiana, located close to the area’s major employers. A new town development of about half the scale of The Village in West Clay would be suitable for Irving, with density of approximately 160 units per acre. There is no public incentive required with a development of this nature. However, it is important to note that infrastructure costs are not included in this analysis.

Urban Entertainment Center

An Urban Entertainment Center (UEC) which is along the lines of Fourth Street Live in Louisville, is different in concept than an upscale retail boutique, such as El Paseo in Palm Springs. While its operating attributes are different, the overall impact levels may be similar. While a UEC, could be considered in either Las Colinas or at Texas Stadium, its youth orientation and nightlife are more likely appropriate at Texas Stadium, while Las Colinas seems more consistent with a more upscale retail experience.

Special Events Programming

Special events programming should be a critical component to the success of various initiatives in Irving. They should play an important role in the Urban Park, a UEC and an upscale fashion district. Ideally, corporate sponsorship will play a large role in financing special events similar to the programs occurring at Millennium Park (where corporate sponsorships account for 99% of special event program funding) referenced in section 5 figure 7, but may require an initial public funding in sales, marketing and operation support to get the program up and running. We have specified an allowance of \$3 million in seed money to help support launching an events program for these venues.

Urban Park

An urban park is the most expensive undertaking the city can embark on. Johnson Consulting estimates that an urban park would attract approximately 4.1 million visitors per year, including two million visitors who are coming from outside the City. These non-local visitors are estimated to generate 253,000 room nights per year, which in turn will generate demand for 1,000 new hotel rooms. This number was derived on the assumption that an urban park in Irving, with the proper programming, would generate 25 percent of the visitors of Millennium Park in Chicago, Illinois. Following our benchmark, Irving would need to invest approximately \$100 million to complete an urban park. Iconic Architecture is a critical “piece of the puzzle” within the urban park. The park needs to have some sort of attraction that will put it on the national and international radar and cause visitors to include the park in their itinerary when they are in the DFW area.

Irving Sports Complex

A sports complex in Irving needs to be done on the scale of a Home Depot Center in Carson, California. This complex would require approximately \$70 million in public funding, be completed on the same scale of a Home Depot Center project, and be capable of hosting international athletic events. Regional and national athletic tournaments and events will account for the majority of the visits to Irving. At such a scale, these sports-related events and activities are estimated to have the potential to generate between 80,000 and 100,000 room nights per year, and provide an environment, which over the next 10 plus years could be appropriate for 1,000 new hotel rooms, supported by this project’s sports demand, combined with other market area demand sources.

All Options Combined

It is important to recognize that the impact these projects are capable of producing the greatest results if the entire portfolio is pursued. Combined, these projects add an incremental:

- 5.8 million visitors annually
- 430,000 room nights annually
- 4,500 additional hotel rooms. These rooms are by no means supported solely by these projects, but are appropriate considerations and targets for the areas impacted by these investments over the next ten years or so. Room nights generated from events and activities at the suggested developments will fill these additional hotel rooms, which will also induce more room

night demand. Overall, city-wide hotel occupancy and average daily rate will improve. No specific segment or quality is indicated for these rooms at this point – further study may be required to determine the proper balance of hotel room offerings’ segment and quality, and to develop a strategy to best achieve high level occupancies and revenues.

Should Irving pursue all of the above developments, it is estimated that \$187.4 million in public incentives would be needed to see the projects come to fruition.

Not included in these direct impacts are the economic and social benefits that will be enjoyed by Irving, DFW and the State as a whole. In the first instance, Irving will accelerate absorption of development in both Las Colinas and the Texas Stadium site. Developments as recommended will enhance the areas surrounding these submarkets; between the 4,500 hotel rooms and minimum 6,000 residential units supported within these development areas, the face of Irving will change into both a destination and a better living environment.

It is expected that these developments will have the most notable impact on weekend visitation to Irving. The attractions will help increase the softer weekend occupancy rates Irving hotels have historically experienced.

ECONOMIC AND FISCAL IMPACT ANALYSIS

This section analyzes direct development impact as well as economic and fiscal impact that would be generated by the different options. Direct development impact estimated includes the level of visitation, room nights generated, and total visitor spending generated from the visitor activity. Economic and fiscal impact are then estimated based on these development impact figures.

Visitation, Room Nights and Visitor Spending

Table 6-2 summarizes the key assumptions and resulting estimates of visitations, room nights, visitor spending, and retail and hotel sales, as well as development incentives (when applicable/appropriate) from development options at the Texas Stadium site, on a full-year operation.

Table 6-2

Texas Stadium Site Development						
	Urban Park	Retail	Hotel	Sports Academy	Total	Total with 30% Increase Effect*
Land Area (acres)	75	na	na	na	na	na
Gross Area (SF)	na	300,000	na	300,000	na	na
# of Rooms or Residential Units	na	na	500	na	na	na
Visitation and Room Nights						
Annual Visitors	2,040,000	500,000	129,200	504,000	3,173,200	4,125,160
% New Visitors*	60%	60%	50%	40%	na	na
Net New Visitors	1,224,000	300,000	64,600	201,600	1,790,200	2,327,260
% Requiring Lodging	1.6%	5.7%	see below	24.8%	na	na
# of Room Nights	20,000	17,000	107,675	50,000	194,675	253,078
Visitors Spending						
Average Daily Spending	\$75	\$20 - \$75	na	\$90	na	na
Total Spending (\$000's)	\$153,000	\$12,200	na	\$445,032	\$610,232	\$793,302
Net New Spending (\$000's)	\$91,800	\$7,320	na	\$157,445	\$256,565	\$333,535
Incl. Spending on Lodging (\$000's)	\$1,400	\$1,190	\$21,535	\$3,500	\$27,625	\$35,913
Retail or Hotel Sales						
% Net Leasable Area	na	90%	na	na	na	na
% Occupancy	na	92%	59%	na	na	na
Sales/ SF or ADR	na	\$700	\$200	na	na	na
Total Sales (\$000's)	na	\$173,880	\$33,131	na	\$207,011	\$269,114
Net New Sales (\$000's)	na	\$69,552	\$16,565	na	\$86,117	\$111,953
Development Cost and Incentives						
Cost/ SF	na	\$295	na	\$333	na	na
Total Development Cost (\$000's)	\$100,000	\$88,500	na	\$100,000	na	na
% Incentive	100%	15%	na	70%	na	na
Incentive Amount (\$000's)	\$100,000	\$13,275	na	\$70,000	na	na

*When all options are developed, the improved attractiveness of the combined development has a 30-percent increase effect to the overall results.
Source: Johnson Consulting

As shown in the table, all of the indicated development options at the Texas Stadium site are estimated to generate approximately 3.2 million visitors, including 1.8 million who are coming from outside the metro area. These visitors are projected to generate over 194,000 room nights annually. It is assumed that the improved attractiveness from the combined developments has a 30-percent increase effect to the overall results. Therefore, total visitation is estimated to be 4.1 million, including 2.3 million from outside Irving. Visitor spending is projected to amount to \$793.3 million, plus \$269.1 million in retail and hotel sales, for a combined total revenues of over \$1 billion. Of those amounts, \$445.5 million is net new spending (spending by out-of-town visitors).

Table 6-3 summarizes the key assumptions and resulting estimates of visitations, room nights, visitor spending, and retail and hotel sales, as well as development incentive, when applicable, from development options at the Las Colinas site. In addition to the retail component, it is suggested that the Las Colinas development will also include two new privately developed hotel properties (300 rooms and 90 rooms) and a “thoroughfare” to hold events and festivals.

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Table 6-3

Las Colinas Development						
	Retail	Hotel 1	Hotel 2	Festival	Total	Total with 30% Increase Effect*
Land Area (acres)	na	na	na	30	na	na
Gross Area (SF)	200,000	na	na	tbd	na	na
# of Rooms	na	300	90	na	na	na
Visitation and Room Nights						
Annual Visitors	1,000,000	77,500	23,300	240,000	1,340,800	1,743,040
% New Visitors*	70%	50%	50%	40%	na	na
Net New Visitors	700,000	38,750	11,650	96,000	846,400	1,100,320
% Requiring Lodging	7.1%	see below	see below	2.0%	na	na
# of Room Nights	50,000	64,605	19,382	1,920	135,907	176,679
Visitors Spending						
Average Daily Spending	\$30	na	na	\$90	na	na
Total Spending (\$000's)	\$30,000	na	na	\$21,600	\$51,600	\$67,080
Net New Spending (\$000's)	\$21,000	na	na	\$8,640	\$29,640	\$38,532
Incl. Spending on Lodging (\$000's)	\$3,500	\$12,921	\$3,876	\$134	\$20,432	\$26,561
Retail or Hotel Sales						
% Net Leasable Area	90%	na	na	na	na	na
% Occupancy	92%	59%	59%	na	na	na
Sales/ SF or ADR	\$450	\$200	\$200	na	na	na
Total Sales (\$000's)	\$74,520	\$19,878	\$5,964	na	\$100,362	\$130,471
Net New Sales (\$000's)	\$52,164	\$9,939	\$2,982	na	\$65,085	\$84,611
Development Cost and Incentives						
Cost/ SF	\$295	na	na	na	na	na
Total Development Cost (\$000's)	\$59,048	na	na	na	na	na
% Incentive	24%	na	na	na	na	na
Incentive Amount (\$000's)	\$14,400	na	na	na	na	na

**When all options are developed, the improved attractiveness of the combined development has a 30-percent increase effect to the overall results.
Source: Johnson Consulting*

As shown in the table, the indicated development options in Las Colinas are estimated to generate approximately 1.3 million visitors, including 846,400 million who are coming from outside the metro area. These visitors are projected to generate approximately 135,900 room nights annually. When all of the options are fully developed, combined they have the potential to draw 1.7 million visitors, including 1.1 million from outside of Irving, generating 176,700 room nights. Total visitor spending and retail/hotel sales is projected to amount to \$197.5 million, (\$67.1 million in visitor spending, plus \$130.5 million in retail and hotel sales). Of those amounts, \$123.1 million is net new spending (spending by out-of-town visitors).

Economic Impact Estimates

Economic impact of the development options is estimated based on the amount of visitor spending, which represents the “direct” spending. Applying a set of conservative multipliers (derived from studies in similar projects in comparable Texas locations) into the direct spending amounts shown previously in Table 6-2 and Table 6-3, indirect and induced spending, increased earnings, and employment can be estimated. The levels of impacts are described as follows:

- ***Direct impacts*** - The spending that occurs as a direct result of the events and activities that occur in the proposed redevelopment area. For example, users’ expenditures on hotel rooms and meals are a direct economic impact. Included within the analysis are spending within the redeveloped area itself, as these are also direct impacts.
- ***Indirect impacts*** - Re-spending of the initial or direct expenditures, or the supply of goods and services resulting from the initial direct spending in these facilities. For example, an attendee’s direct expenditure on a restaurant meal causes the restaurant to purchase food and other items from suppliers. The portion of these restaurant purchases that are within the local, regional, or state economies is counted as an indirect economic impact.
- ***Induced impacts*** -Changes in local consumption due to the personal spending by employees whose incomes are affected by direct and indirect spending. For example, a waiter at the restaurant may have more personal income as a result of the attendee’s visit. The amount of the increased income the waiter spends in the local economy is considered an induced impact.
- ***Personal income*** -Increased employee and worker compensation related to the events being analyzed. This figure represents increased payroll expenditures, including benefits paid to workers locally. It also expresses how the employees of local businesses share in the increased outputs.
- ***Employment impact*** -Number of jobs supported in the study area related to the spending generated as a result of the activity occurring in the redeveloped area. Employment impact is stated as a number of full-time equivalent jobs.

For the purpose of this analysis, impact totals are discussed in terms of the City of Irving economy, differentiating spending impacts by people coming from out-of-town and by local residents, as defined below:

- **Net New Spending** - is spending by out-of-town attendees, participants, exhibitors, and other visitors who come from outside the subject area (Dallas-Fort Worth) which represents the amount of “new dollars” that flow into the respective economies.
- **Transfer Spending** - in strict economic terms, spending by those who live in the market area represents “transfer” spending. For example, a resident of Dallas-Fort Worth who uses a venue within the redeveloped site would transfer income from one sector of the area’s economy to another, and therefore is not bringing new dollars into the area economy. We have eliminated from this analysis any transfer spending. We have only evaluated net new spending.

Table 6-4 shows the economic impact of the development options in the Texas Stadium site.

Table 6-4

Texas Stadium Site Development Summary of Economic Impact			
	Total Spending (\$000's)	Net New Spending (\$000's)	Transfer Spending (\$000's)
Direct Spending			
Urban Park	\$153,000	\$91,800	\$61,200
Retail Development	186,080	76,872	109,208
Hotel	33,131	16,565	16,565
Multi-Use Facility	445,032	157,445	287,587
Total	\$817,243	\$342,683	\$474,560
% Increased Revenues due to Improved Overall Attractiveness	30%	30%	30%
Total	\$1,062,416	\$445,488	\$616,928
Indirect and Induced Spending	\$316,954	\$132,904	\$184,050
Total Spending	\$1,379,370	\$578,391	\$800,978
Personal Income	\$121,001	\$50,337	\$70,664
Employment (# of FTE)	5,170	2,151	3,019
<i>Source: Johnson Consulting</i>			

As shown in the table, estimated total spending of \$1.38 billion resulted from direct spending of \$1.06 billion and indirect and induced spending of \$317 million. Personal income is projected to increase by \$121 million and total new full-time equivalent (FTE) employment is projected to be over 5,100. Of these impact amounts, net new impact is \$578.4 million of total direct, indirect, and induced spending, \$50.3 million of personal income, and over 2,100 of FTE jobs.

Table 6-5 shows the economic impact of the development options in the Las Colinas site.

Table 6-5

Las Colinas Development Summary of Economic Impact			
	Total Spending (\$000's)	Net New Spending (\$000's)	Transfer Spending (\$000's)
Direct Spending			
Retail Development	104,520	73,164	31,356
Hotel 1	19,878	9,939	9,939
Hotel 2	5,964	2,982	2,982
Festival	21,600	8,640	12,960
Subtotal	\$151,962	\$94,725	\$57,237
% Increased Revenues due to Overall Improved Attractiveness	30%	30%	30%
Total	\$197,551	\$123,143	\$74,408
Indirect and Induces Spending	\$58,936	\$36,738	\$22,198
Total Spending	\$256,487	\$159,880	\$96,607
Personal Income	\$58,663	\$38,043	\$20,620
Employment (# of FTE)	2,506	1,625	881
<i>Source: Johnson Consulting</i>			

As shown in the table, \$256.5 million in estimated total spending resulted from direct spending of nearly \$197.6 million and indirect and induced spending of \$58.9 million. Personal income is projected to increase by \$58.6 million and total new full-time equivalent (FTE) employment is projected to be 2,500. Of these impact amounts, the net new impact is \$159.9 million of total direct, indirect, and induced spending, \$38.0 million net new to personal income, and 1,600 net new FTE jobs.

Fiscal Impact Estimates

Fiscal impacts are tax revenues that result from the spending and income related to the activities at the indicated development options. Fiscal impacts are estimated based on the level of visitation, room night generated, and visitor spending as previously summarized in Table 6-2 and Table 6-3.

The fiscal impacts are the public sector's return on investment. Fiscal impacts provide a partial offset to the capital and operating expenditures required to support the development of the facility. Although the incremental tax revenues cannot be expected to pay for a publicly-funded project in full, fiscal impacts are important because they improve the ability of the public sector to pay for the

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project. The overall economic impacts, including the fiscal impacts, provide a rationale for public participation in a project.

Based on the amount of spending shown in Table 6-4 and Table 6-5, Johnson Consulting estimated the fiscal impacts from two major categories of tax revenues that are directly affected by event attendees' activity: general sales tax and lodging tax, as listed below:

- **General Sales Tax** - is 8.25 percent of sales, which includes:
 - State sales tax 6.25 percent,
 - County sales tax 1.00 percent,
 - City sales tax 1.00 percent.

- **Hotel/Motel Tax** - is 13.00 percent of hotel room sales, which includes:
 - State lodging tax 6.00 percent,
 - City lodging tax 7.00 percent.

Not included in the analysis at this point are property tax and income tax estimates. The new development will increase some of the values of commercial establishments in the area, which will result in increased property tax revenues supported by the project.

Table 6-6 and Table 6-7 show the estimated fiscal impact from the indicated development options in Texas Stadium site and Las Colinas site.

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Table 6-6

Estimate of Fiscal Impacts - Texas Stadium Development					
	Taxable Spending (\$000's)	Tax Rate	Tax Revenues (\$000's)		
			From Transfer Spending	Net New	Gross Total
General Sales Tax					
State	\$1,019,346*	6.25%	\$37,212	\$26,497	\$63,709
County	1,019,346	1.00%	5,954	4,240	10,193
City	1,019,346	1.00%	5,954	4,240	10,193
Total Sales Tax		8.25%	\$49,120	\$34,976	\$84,096
Lodging Tax					
State	\$43,070	6.00%	\$1,292	\$1,292	\$2,584
City	43,070	7.00%	1,507	1,507	3,015
Total Hotel/ Motel Tax		13.00%	\$2,800	\$2,800	\$5,599
Total Tax Revenues			\$51,919	\$37,776	\$89,695

**Includes spending on eating and drinking, shopping, lodging, and other.*
Source: Johnson Consulting

As the table shows, direct spending generated by events at the indicated development options on the Texas Stadium site are projected to result in approximately \$89.7 million in total tax revenues.

Table 6-7

Estimate of Fiscal Impacts - Las Colinas Development					
	Taxable Spending (\$000's)	Tax Rate	Tax Revenues (\$000's)		
			From Transfer Spending	Net New	Gross Total
General Sales Tax					
State	\$163,956*	6.25%	\$3,601	\$6,647	\$10,247
County	163,956	1.00%	576	1,063	1,640
City	163,956	1.00%	576	1,063	1,640
Total Sales Tax		8.25%	\$4,753	\$8,773	\$13,526
Lodging Tax					
State	\$33,595	6.00%	\$1,008	\$1,008	\$2,016
City	33,595	7.00%	1,176	1,176	2,352
Total Hotel/ Motel Tax		13.00%	\$2,184	\$2,184	\$4,367
Total Tax Revenues			\$6,937	\$10,957	\$17,894

**Includes spending on eating and drinking, shopping, lodging, and other.*
Source: Johnson Consulting

As the table shows, direct spending generated by events at the indicated development options on the Las Colinas site are projected to result in approximately \$17.9 million in total tax revenues.

Application of Selection Criteria to Proposed Development Areas

Johnson Consulting was presented with a variety of development proposals currently being discussed by the private sector for the Las Colinas Central Business District (CBD) and Texas Stadium sites. It is important to understand that these developments are not mutually exclusive to one plot of land. They could be developed at Las Colinas or Texas Stadium and be successful at each location, although most discussions centered around the Texas Stadium site.

The following comments are offered on the list of proposed projects the city has received from various development interests.

Multi-Sport / Multi-Purpose Facility – this facility was proposed on the same location as the George W. Bush Presidential Library and includes:

- Minor league baseball team with a 5,000 to 6,000 seat stadium
- Indoor Soccer/multi-purpose facility seating 9,000 to 10,000 which would re-launch the Dallas Sidekicks MLS program.
- Breakout / meeting space
- Outdoor fields for soccer, lacrosse, etc.

The multi-sport/multi-plex concept is certainly a viable consideration for the City of Irving. One comment associated with this proposed facility would be the size and scale. The City might require that developers integrate additional athletic categories and high-end training facilities into the design.

Marco Polo World Theme Park– Marco Polo World was proposed on the current Texas Stadium site. The development would include:

- Dome Theatre
- Silk Road Sites
- Hotel and Convention Center

Marco Polo World is a theme park aimed at bringing cultural enlightenment to tourists in an interactive environment. Concerns regarding the Marco Polo

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initiative arise with high attendance projections. Marco Polo World Inc. has estimated that 36 million individuals will visit the theme park on an annual basis. Additionally, 90 percent of revenue will be generated from the entrance fees to the park. The estimated number of visitors on an annual basis appears to be extremely high; with the lion's share of revenue coming from entrance fees, it seems this park would be a risky endeavor for the City to pursue. While conceptually a theme park may be viable, single culture theme parks have not done well historically and theme parks face many challenges as start-ups. It is our recommendation that the City carefully evaluate feasibility studies for this project further.

Jai Alai Fronton – a Fronton facility is a consideration for a variety of sites in Irving. The facility will include:

- Stadium with 10,000 to 12,000 seating capacity and luxury suites
- Restaurants
- Concession area
- Lounge

As proposed, the Jai Alai Fronton facility could be capable of satisfying various civic responsibilities such as high-school graduations, Texasfest and the Chamber's Business Expo. Although there may be room for a Jai Alai facility in the market there is not much information whether demand is present for such a facility. A full-scale feasibility study would be recommended before further work is done, as these facilities have struggled elsewhere in the US (although they are quite popular elsewhere). Due to the seasonal use of the facility and lack of demand information it is difficult to determine what level of significant positive economic impact this may have on the City. The structural requirements for a fronton will most likely limit the facility's flexibility of a wide range of other uses, as would the anticipated event schedules for jai-alai. Additionally, jai alai is not currently licensed as a pari-mutuel sport in the state of Texas.

Snow Valley Texas – is a sport, leisure and entertainment complex proposed on the current Texas Stadium site. The main components of development include:

- 600 foot high snow ski hill
- 200,000 sq. ft. indoor water park
- Sports academy
- Winter sports academy complex

- Sports themed rides
- Exhibits
- Hall of champions
- NASA's Astronaut Adventure
- Retail Mall

Snow Valley Texas is a complicated \$700 million development with a substantial amount of risk involved. However, if one examines the facility from a component perspective, it encompasses many elements from other proposed initiatives into a single project. Its scale is very large and along the lines of a four star venue, but it is highly speculative. At this time, the project's point person has not been able to provide the city sufficient reference detail to initiate any next steps. It is strongly recommended that the city ask for a full-scale feasibility study from an independent third party before moving forward.

Trinity Crossing / Dallas City Limits -An entertainment district originally proposed for downtown Dallas, but now with interests in Las Colinas or the Texas Stadium site. Phase one of Trinity Crossing development could include:

- Small indoor stage/arena facility for live entertainment
- Small outdoor area for cutting horse competitions, polo and high end equestrian activities
- Themed, branded restaurants featuring a wide range of dining categories
- Retail shops
- Sky box suites including facilities for guests and sponsors
- Outdoor festival area seating 27,000 guests

The Trinity Crossing project fits with several of Irving's goals associated with the redevelopment project and with the desire to create more "life" in the Urban Center. Done properly, the project could create a new tourism destination and entertainment option certainly in Irving, but also in the area. This would dovetail with our earlier recommendations regarding retail and entertainment developments.

Starwood "Aloft" Hotel - hotel being discussed for the Flower Clock site in Las Colinas. The "Aloft" development can add an element of hip elegance and help attract the executive community to Las Colinas. Such a hotel would be an ideal consideration in either site, however it is important to recognize that there are aggressive development goals for this project. In the Dallas-Fort Worth area alone, five will be developed in the next 3-5 years, weakening the perceived uniqueness of the product in the marketplace

Conclusion

Table 6-8 summarizes the changed face of the Dallas-Fort Worth Metro Area if Irving were to bring forward one or more world class projects at the quality and scale as those discussed in this report.

The redevelopment of the Texas Stadium site has been the subject of much discussion. Irving is at an important crossroads in the development of the City, and the stadium site affords an opportunity for Irving to redefine the "image" of its City. The decision the City makes regarding future developments sets the stage for development over the next fifty years and beyond. A truly unique project completed on a grand or high-end scale will create an identity for the City and drive quality into future developments.

The size and zoning enable a wide range of development options to be considered at the Texas Stadium site. Including underdeveloped parcels around the stadium site, approximately 470 acres of developable land enable multiple developments to be considered in conjunction with one another. Potential development options were articulated in the original land-planning studies done by RTKL, and include these elements:

- Traditional Neighborhood Development / New Urbanism Project and associated retail and commercial development
- World Class Urban Park
- Multi-Sport / Sports Academy Complex.

A retail component is a key element that has been missing *specific* to the Las Colinas development.

A high fashion retail component needs to be considered in the Las Colinas CBD

Discussions with developers indicate the desire to include a boutique hotel which has the character and charm of "Texas" throughout the lobby, rooms, suites, etc. An

upscale spa could also be considered with the retail development to attract tourists, as well as day visitors from DFW residents. This spa would have to be of five-star caliber (i.e., Four Seasons level) to blend well with Las Colinas' current image.

Whatever is done in Las Colinas, there is a significant opportunity to capitalize on the various "waterfronts" available here. In the goals of place-making and product differentiation, Irving has water as an asset that few other places have. Irving should not attempt to re-create San Antonio's Riverwalk, but should look for opportunities to capture what is fundamental about its success and translate that to a Las Colinas setting.

A smaller urban park and festival grounds that leverage the water views would also be a consideration for Las Colinas. The impacts of an urban park were discussed above in the indicated developments for Texas Stadium and the principle assumptions apply for the Las Colinas site as well.

As discussed in the Texas Stadium commentary, an Urban Entertainment District can work here as well, in complement to the proposed Site 00 development. Scale may change significantly to better fit within the Las Colinas setting.

These projects combined add an incremental:

- 5.8 million visitors annually
- 430,000 room nights annually
- 4,500 additional hotel rooms. These rooms are by no means supported solely by these projects, but are appropriate considerations and targets for the areas impacted by these investments over the next 10 or so years.

If Irving should choose to pursue all of the above developments it is estimated that \$184 million in public incentives would need to be provided to see the projects come to fruition.

Not included in these direct impacts are the economic and social benefits that will be enjoyed by Irving, DFW and the State as a whole. In the first instance, Irving will accelerate absorption of development in Las Colinas and the Texas Stadium site. It will also complement the entire areas that surround these submarkets and between the 5,000 hotel rooms and minimum 6,000 residential units supported within these development areas will in fact change the face of Irving and a destination and living environment.

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Table 6-8

"DFW as a Repositioned Tourism Market"							
Genre	Venue	Category	Location	Seating	Visitors per Year	Date Established	Ranking
Attractions	Billy Bob's Texas	Bull-riding, Concerts, Restaurants, and Gifts	Fort Worth	--	540,000	1981	***
	Dallas Zoo	Zoo	Dallas	--	508,708	1888	**
	Fort Worth Botanic Gardens	Botanic Garden	Fort Worth	--	800,000	1984	**
	Fort Worth Zoo	Zoo	Fort Worth	--	1,000,000	1909	**
	Galleria Dallas	Shopping Center	Dallas	--	16,800,000	1982	****
	Grapevine Mills	Shopping Center	Grapevine	--	16,000,000	1997	**
	National Scouting Museum		Irving	--	25,000	2002	**
	North Park Center	Shopping Center	Dallas	--	21,600,000	1965	****
	Six Flags Over Texas	Theme Park	Arlington	--	n/a	1961	**
	Six Flags/Hurricane Harbor	Water Park	Arlington	--	n/a	1996	**
Sixth Floor Museum	Historic Landmark / Museum	Dallas	--	450,000	1979	****	
Tourist Districts	Sundance Square	Entertainment District	Fort Worth	--	10,000,000	1980	****
	American Airlines Center Village	Sporting Events, Concerts, and Family Events	Dallas	--	n/a	2001	****
	Dallas' West End	Restaurants, Clubs	Dallas	--	7,000,000	1970s	****
	Deep Ellum (Deep Elm)	Entertainment and Arts District	Dallas	--	n/a	1920	**
	Las Colinas Shopping District	Entertainment and Arts District	Irving	--	2,000,000		****
	Stockyards Station and Billy Bob's Texas	Historical Stockyard with Shops and Museums	Fort Worth	--	1,301,000	1992	****
Texas Stadium Traditional New District	Sporting Events, Concerts, and Family Events	Irving	--	3,000,000		****	
Cultural Venues	African-American Museum	Museum	Dallas	--	n/a	1979	**
	Amon Carter Museum	Museum	Fort Worth	--	100,000	1961	**
	Bass Performance Hall	Performance Venue	Fort Worth	--	500,000	1997	****
	Casa Manana	Cultural Theatre	Fort Worth	1,800	n/a	1959	****
	Dallas Museum of Art	Art Museum	Dallas	--	500,000	1903	****
	Fair Park Music Hall	Cultural Theatre	Dallas	3,420	n/a	1925	**
	Fort Worth Museum of Science and History	Hands-On Exhibits and Noble Planetarium	Fort Worth	--	994,079	1941	**
	Irving Arts Center	Museum / Theatre	Irving	707	158,000	1986	**
	Kimbell Art Museum	Museum	Fort Worth	--	n/a	1972	**
	Latino Cultural Center	Museum	Dallas	--	39,000	2003	**
	Majestic Theatre	Cultural Theatre	Dallas	1,667	n/a	1921	**
	Morton Meyerson Symphony Center	Cultural Theatre	Dallas	2,062	n/a	1989	****
	National Cowgirl Hall of Fame	Museum	Fort Worth	--	45,000	2001	**
	Nokia Live	Cultural Theatre	Grand Prairie	6,350	n/a	2002	**
	Smirnoff Music Amphitheatre	Cultural Theatre	Dallas	20,111	n/a	1988	**
	Women's Museum	Museum	Dallas	--	75,000	2000	**
Parks	Fair Park	Museums and Performance Centers	Dallas	--	6,500,000	1904	****
	Dallas Arboretum		Dallas	--	350,000	1982	**
	Fort Worth Botanic Gardens		Fort Worth	--	750,000	1934	**
	LB Houston Park	Public Park	Dallas	--	n/a		**
	Texas Stadium Urban Park	Public Park	Irving	--	2,000,000		****
	White Rock Lake Park	Public Park	Dallas	--	n/a	1930	**
Sports and Equestrian Venues	Texas Motor Speedway	Motor Sports	Fort Worth	158,585	n/a	1996	****
	American Airlines Center****	Basketball/ Hockey/ af2	Dallas	20,000	n/a	2001	****
	Amerquest Field***	Baseball	Arlington	49,115	n/a	1994	****
	Cotton Bowl Stadium at the Fair Park	Soccer/ Football	Dallas	68,252	n/a	n/a	**
	Dr Pepper Star Center - multiple locations	Mixed Sports	Irving, Duncanville, Euless	--	--	--	****
	Irving Sports Complex/Academy	Sports Complex	Irving	--	500,000		****
	Las Colinas Equestrian Center	Equestrian	Irving	--	2,000	1994	****
	Las Colinas Polo Club	Equestrian	Irving	--	12,500	1996	****
	Lone Star Park	Horse Racing	Grand Prairie	50,000**	n/a	1996	****
	Will Rogers Coliseum	Equestrian	Fort Worth	7,000	n/a	1936	**
Will Rogers Equestrian Center	Fairgrounds, equestrian center	Fort Worth	2,600	800,000	1988	****	

*Home of the NFL's Dallas Cowboys.

**The facility only has 5,500 permanent seats, but is able to host over 50,000 attendees in a championship day with its ample capacity in lawn seating.

***Home of the MLB's Texas Rangers.

****Home of the NBA's Dallas Mavericks, NHL's Dallas Stars, and af2's Dallas Desperados.

*****Fairly small, regional-based tournament facility, part of Frisco Sports Complex, home to the Frisco RoughRiders, a Texas Rangers AA Affiliate team.

Key: 2stars: Quality level distinguishes project regionally, but not nationally

3 stars: Distinctive in its niche nationally, but not unique nationally

4 stars: Of a quality and design that evokes national or even international acclaim

Note: Venues highlighted in yellow are potential tourism/ visitor oriented developments available to Irving

Source: Respective Facilities, Johnson Consulting