

#### **AGENDA**

Irving Convention and Visitors Bureau Board of Directors
Destination Development Committee
Tuesday, August 7, 2018 at 11:30 a.m.
Irving Convention Center, First Floor Boardroom
500 W. Las Colinas Blvd.
Irving, Texas 75039

NOTE: A possible quorum of the Irving Convention and Visitors Bureau Board of Directors may be present at this committee meeting.

- 1. Update on Spring Trail Park
- 2. Discussion on Bike-Share Program
- 3. Discussion on Pedicab Pilot Program
- 4. Discussion on Irving Hotel Development Ordinance
- 5. Update on Williams Square and Mustang Museum
- 6. Approval of May 15, 2018 Minutes
- 7. Committee Chair's Report

#### **CERTIFICATION**

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	at	and remained so posted at least 72 hours before said meeting convened.
		Deputy Clerk, City Secretary's Office

This meeting can be adjourned and reconvened, if necessary, the following regular business day.

Any item on this posted agenda could be discussed in executive session as long as it is within one of the permitted categories under sections 551.071 through 551.076 and section 551.087 of the Texas government code.

This facility is physically accessible and parking spaces for the disabled are available. Accommodations for people with disabilities are available upon request. Requests for accommodations must be made 48 hours prior to the meeting. Contact the City Secretary's Office at 972-721-2493 or Relay Texas at 7-1-1 or 1-800-735-2988.

## Bike-share tide ebbing in Dallas

As Mobike follows others to exits, survivors work on how to turn a profit



Louis DeLuca/Staff Photographer A rider pedals past a rental bike in downtown Dallas. From a peak of about 20,000 dockless rental bikes, Dallas is down to fewer than 3,500.

#### BY MELISSA REPKO STAFF WRITER MREPKO@DALLASNEWS.COM

#### TRANSPORTATION

Where have all the bikes gone?

Just months ago, dockless rental bikes seemed to be parked on every major street corner in downtown Dallas and Uptown.

Pedestrians complained about two-wheelers blocking rights-of way.

City officials grappled with how to address calls from fed-up residents. Some bikes wound up in lakes.

At the peak, an estimated 20,000 rental bikes were in Dallas.

Now, that's dropped to fewer than 3,500.

"As quickly as they came in, they disappeared," said Jared White, the city's bicycle transportation manager. "It was uncanny."

The shrinking number in Dallas reflects the economic challenges of bike-share businesses, which are jockeying to stand out from others offering a similar product at a similar price. The bikes provide a cheap and quick way to get around cities and travel the last mile of a commute by bus or train. But while most of the mobility startups are flush with venture capital, they have struggled to become profitable.

On Thursday, Beijing-based Mobike confirmed it was leaving Dallas. It follows two other operators — Beijing-based Ofo and San Francisco-based Spin —which announced in mid- July that they were exiting the market.

Two bike-share companies remain in Dallas: VBikes, based in Garland, and Lime, from the San Francisco Bay area.

Bird, a scooter-share company based in Santa Monica, Calif., landed in Dallas in late June.

Mobike is issuing refunds to Dallas riders for remaining credits and moving its bikes to other U.S. markets, said James Liao, the company's director of operations and interim general manager.

Mobike has had several hundred bikes in Dallas as a pilot since December. In an email, Liao said the company decided to leave "due to data we received that reflects a low bikeability of the city."

Dallas has added regulations for bike operators in recent months, but a range of factors could be playing into how many bikes are in a company's fleet. Some, like Ofo, are pulling out of markets across the country and laying off workers.

Others, like Spin, which had fewer than 700 bikes in Dallas, are beginning to focus on electric scooters instead of plain old bikes.

It's clear that scooters, since their arrival in late June, have won over some of the bikeshare market.

On Thursday, Lola Hassan took a spin on a Bird scooter.

The 23-year-old, who lives in a Los Angeles suburb, has rented both a bike and a scooter on business trips to Dallas. For her, the scooter was "one thousand times better" — especially in the Dallas heat.

On a scooter, she said, she can zip around without sweating through her makeup. And, she said, the breezy ride is a novelty.

"You can ride a bike anywhere," she said. "The scooter is the new it thing."

### City Hall questions

At City Hall, White, the bike transportation manager, said the seemingly vanishing bikes have been a popular conversation topic. He said he and his colleagues have wondered whether new city rules have had an effect. But perhaps, he said, it's just an inevitable shakeout of the market or the scorching summer temperatures sapping demand.

- In late June, the City Council approved regulations that require bike-share firms to get permits and pay for the number of bikes or scooters in their fleets. The companies also must be staffed to quickly respond to complaints about bikes blocking sidewalks or being abandoned for days.
- White said he expects bike and scooter companies to turn in applications for permits within two weeks. Each company must pay an \$808 application fee plus \$21 per vehicle.
- Each also must put up a \$10,000 refundable security deposit.
- "I can see it [the bike total] going back up, but I don't see it going back up to what it was," he said.
- Dockless bike-share companies first took off in dense cities in China a few years ago. The new kind of bike-share system, which allows a rider to unlock a bike with a smartphone app and park it anywhere, was fueled by innovations in GPS technology, mobile payments and connected devices. And the dockless systems cut costs by eliminating the need for bike racks.
- In the past year, six of China's 18 bike-share companies have gone under after running out of cash, according to CBInsights, which tracks private company funding and angel investments.
- Some of the shutdown companies left behind giant piles of abandoned and broken-down bicycles.
- The startups have spread to the U.S. and become a darling of venture capital firms but they have struggled to become profitable businesses. Investors have poured more than \$3.5 billion into bike-and scootershare startups so far this year, according to CBInsights. The companies have primarily focused on dense urban areas and places like college campuses.
- But the bike- and scootershare companies have not turned a profit and they have been tight-lipped about how and when they expect to make money.

#### Targeting customers

- Garland-based VBikes became the first bike-share company in Dallas when it parked its bikes at Klyde Warren Park last summer. But as new, wellfunded competitors started operating in the city, VBikes decreased its fleet of bikes to 500 and targeted customers who use the bikes for recreation, placing the cycles at parks like White Rock Lake instead of all over, said Kris Alborz, a VBikes spokesman.
- VBikes is owned by David Shan, who is also founder and owner of Massimo Motor, a seller of all-terrain vehicles and utility task vehicles in Garland.
- Alborz said VBikes' goal is to have the bikes in use about 80 percent of the time during peak hours for recreation on weekends and between 6 and 8 o'clock on weekday evenings.
- But he said the company, which relies on three full-time employees to move the bikes around, also ran into unforeseen challenges. On its first model, the battery on the GPS system was powered by pedaling.
- If bikes went unused for a while, the GPS did not work and the company had trouble finding the bikes, he said. The company has since added solar sensors to charge the batteries and more advanced chips to help pinpoint the bikes' location, he said.

- Its biggest challenge, though, was the property loss, he said. About 40 percent of its first 1,000 bikes wound up damaged, broken or stolen.
- "To actually achieve something that's in the green rather than the red, it can be difficult," he said.
- But he said VBikes is convinced bike-sharing can become profitable. He said VBikes may double its fleet from 500 bikes to 1,000 now that Ofo and Spin have left the market.
- "We absolutely believe in the dockless ride-share business model," he said. "We are going to keep fighting, and hopefully we'll be able to make that turn where bikes are getting less damage, people are using them and the city becomes more bike-friendly."
- He said the number of bikes is falling because of companies right-sizing themselves. "The amount of bikes we had prior to the ordinance being proposed was unbelievable," he said. "The number of bikes was so large, I don't think anybody was profitable.
- Nobody was making money."
- Picking a strategy
- At its peak, Lime had about 10,000 bikes in Dallas. Now, it has about 3,000 bikes and scooters a number that's expected to remain stable, said Sam Sadle, the company's director of strategic development.
- The company, formerly called LimeBike, launched scooters in Dallas in early July.
- Sadle said the changing landscape in Dallas reflects "a maturation of the industry."
- "Like any industry, there's an initial burst of excitement and a lot of people get in, but it's an industry that requires a lot of work and a lot of coordination," he said.
- Sadle said Lime is trying to find the right balance between bikes and scooters in Dallas. It has more than 50 full-time employees in the area that help market the bikes and move them around.
- "We are learning more about where dockless mobility can be useful and helpful to the city," he said. "We are new to this business. The city is new to this business. So we are all learning together."
- Sadle said Lime is always watching its ridership metrics and looking for the "sweet spot"
- having enough bikes and scooters available when customers want to use them but not so many that they sit unused.
- He would not divulge the company's targets for average number of users or miles per day but he said Lime has had 6 million rides in one year across its more than 70 markets in the U.S. and Europe. In Dallas, it says it has had more than 220,000 unique riders and the equivalent of 530,000 miles ridden.
- Sadle said Lime is experimenting with new ways to boost efficiency and encourage good behavior. It activated new sensors that detect when a bike or scooter is knocked over. Riders must take a

photo when they park a scooter. And the company is experimenting with "gamification." It introduced a game called "Parked or Not" to help identify riders who park correctly or incorrectly — and is considering how to reward customers for good parking.

Adam Cohen, a transportation researcher who studies bike-sharing at the University of California at Berkeley, said the ebb and flow in the number of dockless bikes is typical for a new industry. He said car-share companies such as Car2Go and Zipcar also tested out new locations, pulled out of markets and expanded in others.

"Across the board, bike-sharing and, more specifically, the dockless form of bike sharing is a relatively new model," he said, "and so there's a lot of experimentation going on."

Twitter: @melissa\_repko

## **Pedicab Program**

Transportation and Natural Resources Committee
June 6, 2018

## Overview

- Background
- Pilot Project Area
- Opportunities/ Challenges
- Discussion / Guidance

## Background

- Pedicabs are a unique mode of non-motorized passenger transportation for short trips.
- Currently operating in:
  - New York City
  - Austin
  - Miami
  - Ft. Worth
  - Arlington
  - Philadelphia
  - Portland
  - Dallas
  - San Diego
  - San Francisco
  - Boston
  - Savannah

## Pilot Project Area

### Location:

The Las Colinas Urban Center

Timeframe: 6 months

- Las Colinas Blvd. (Riverside Dr to Promenade Pkwy)
- Lake Carolyn Pkwy (Las Colinas Blvd to Promenade Pkwy)
- Promenade Pkwy (Las Colinas Blvd to Lake Carolyn Pkwy)
- O'Connor Blvd (Las Colinas Blvd to Lake Carolyn Pkwy)



## Opportunities/ Challenges

## **Opportunities**

- Connection to hotels, restaurants, and the entertainment venues
- Connection to DART Transit
- Zero Emission Transportation
- Fun Tourism Option
- Marketing of Urban Center
- Customer Convenience
- Enhance Urban Center Mobility

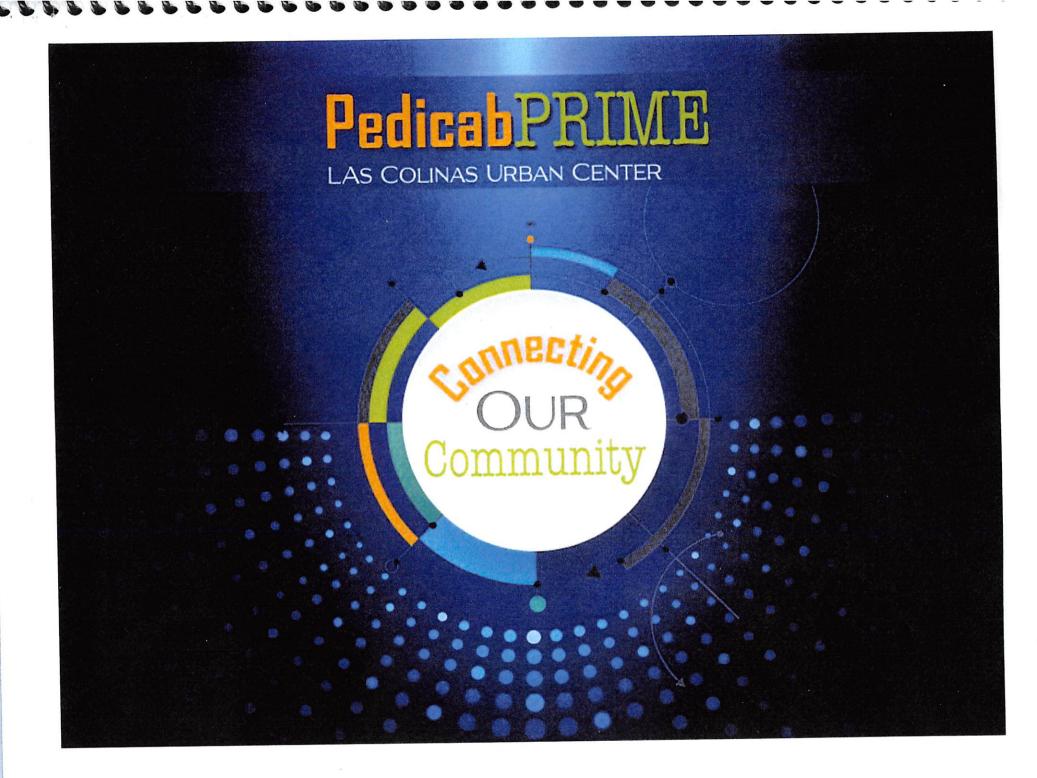
## Challenges

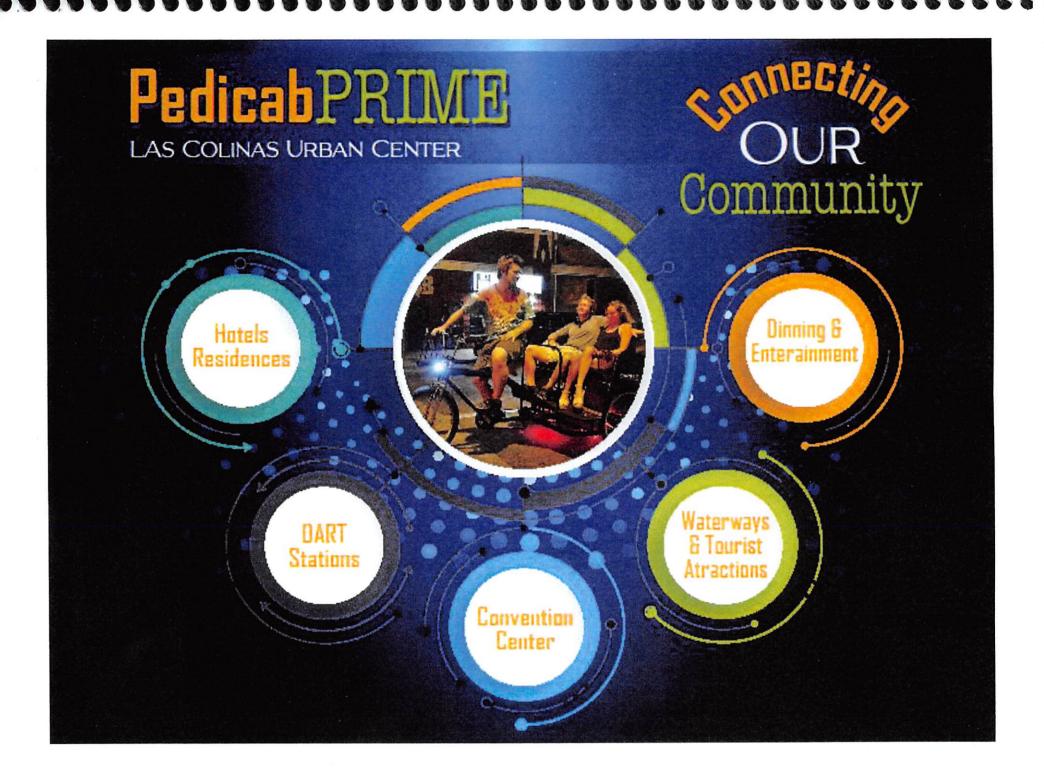
- Roadway/Traffic Impacts
- Safety/Staging
- Permits/Inspections
- Program Management
- Passenger Payment Process
- Driver Appearance and Overall Pedicab Aesthetic Regulation

## Discussion / Input

- Pilot Project
  - Develop agreement
  - Bring back to Council
  - Post Pilot Project (Next Steps)
    - Develop Ordinance
    - Bring back to Committee/Council
- Develop Ordinance

## Discussion





## INTRODUCTION

We are a professionally operated Pedicab Company seeking approval to operate in Las Colinas Urban Center. We have fifteen years of successful ownership and operation of Pedicabs and bring a management team with experience in business management, operations, sales, marketing and finance.

Our operation will cover the Las Colinas Urban Center providing ecofriendly, safe and convenient connections to the Music Factory, Water Street, DART Stations, hotels, residences, condos, waterway activities, tourist attractions, the canals and remote parking during events.

Our vehicles are safe, eco-friendly, and support the Urban Center Master Plan and the City of Irving's goals of providing dynamic environments for business and residential. We make connections within the community for residents, visitors and businesses alike.

## MANAGEMENT TEAM

**Bruce Van Allen, Safety & Maintenance Director** 

Van Allen introduced the concept of Pedicabs to Provincetown, MA over fifteen years ago and helped write the rules and regulations for the vehicles. He recently sold his business and is a consultant to other Urban Center areas to introduce, implement and generate successful Pedicab businesses.

Kathryn Wallace, Operations Director

Wallace has ten years experience in Corporate Operations and twenty years as a Corporate Meeting Planner in various industries, which the past eight years she has operated as self-employed. A resident of Irving for the past 23 years.

Mike Edwards, Marketing Director

Edwards has over 30 years experience in Sales, Marketing, and Management in various industries. Professional Engineer in the State of TX, Registered Principal for Securities Sales, Business Owner. A current resident of Irving, TX.

Don Pullen, Finance Director

Pullen has a twenty year career as a corporate banker, managing divisions in multiple industries. Currently self-employed in the oil and gas industry. A resident of Irving for the past 14 years.

# PEDICABS FOR URBAN TRANSPORTATION IN OTHER U.S. CITIES

Pedicabs are a unique mode of non-motorized passenger transportation for short trips in Urban areas. Currently operating in many Urban areas that include: New York City, Austin, Miami, Ft. Worth, Philadelphia, Portland, Dallas, San Diego, San Francisco, Boston, Savannah to name a few.

Over the past 20 years, Pedicabs have proliferated in US cities. Pedicabs were first introduced as a travel mode for tourists and are still largely concentrated around tourist friendly areas and events. However as cities and residents have become more focused on sustainability and eco-friendly goals Pedicabs have grown to provide a vital addition for urban passenger transportation. Pedicabs provide a fun, accessible, safe form of transportation for daily, commuter and event traffic.

Cities throughout the United States are increasingly focused on "greening" their transportation systems by encouraging travelers to shift from personal motorized transportation to public transportation or active transportation modes such as walking or cycling. These modes have some disadvantages and may not be accessible for all point-to-point trips. In urban areas Pedicabs have the ability for short trips to fill a need for zero-emission point-to-point passenger transportation.

The Las Colinas Urban Center is perfectly suited for Pedicabs with their ability to connect travelers and residents to the DART stations, hotels, convention center, waterways, dining and entertainment venues.

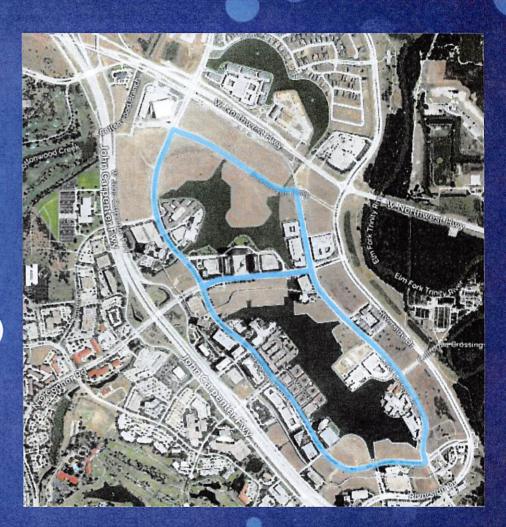
Pedicab PRIME "connecting our community"

## Suggested Urban Center Boundary Loop

The suggested boundary loop incorporates the following:

- Hotels (5)
- Apartment Complexes (12+)
- DART Stations (2)
- Convention Center
- Waterway & Waterfalls
- Tourist Attractions
- Dining & Entertainment (40+)





## **OPERATIONS**

Hours of Operation

Not exceed the hours of 6AM to 2AM 7 days per week

Number of Pedicabs

**Initially 4-5 vehicles** 

18 month potential 8-10 vehicles

Storage

Local enclosed garage

**Supervision** 

Dedicated Pedicab Captain per shift Supervisor / Mechanic located within 5 miles of Urban Center

Daily Maintenance

Each vehicle "rider" (driver) checked certification prior to shift launch

Each vehicle required to pass maintenance inspection prior to shift launch

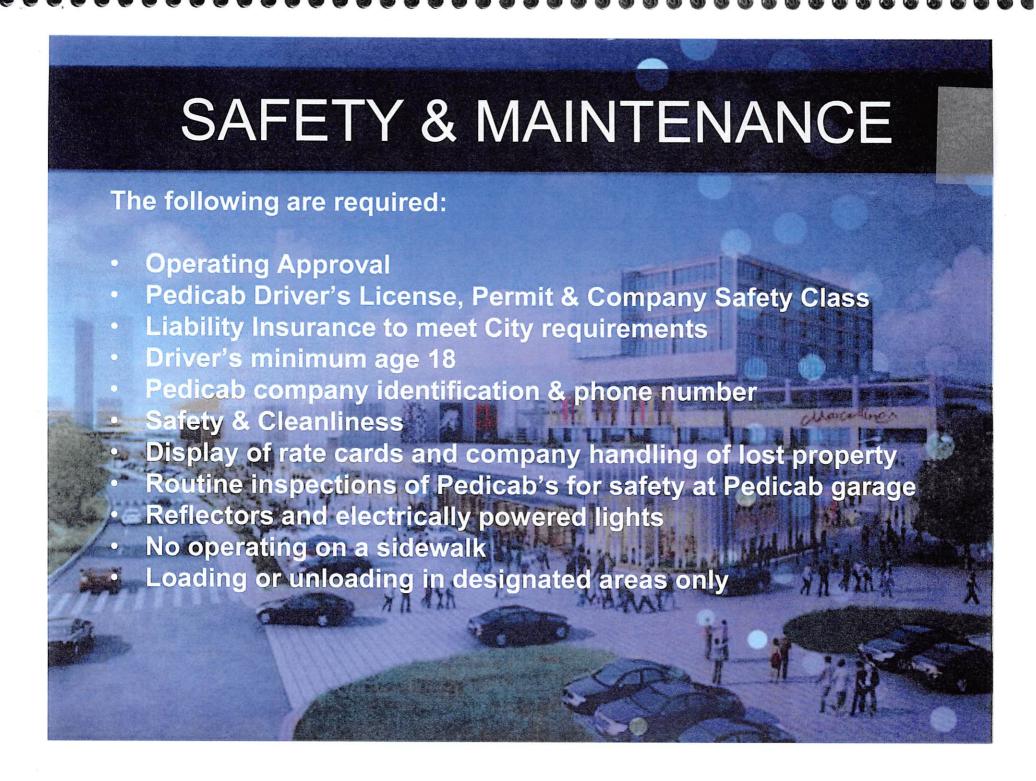
## PEDICAB SPECIFICATIONS

Pedicab PRIME vehicles are from a top tier US manufacturer and meet major insurance carriers requirements. Safety is our primary focus.

Below are typical features of a Pedicab model.

- 24-Speed Drive Train
- LED Brake Lighting
- Lowered Passenger Boarding Step
- Weatherproof electrical system
- Removable Advertising Panels
- Dual Piston Rear Hydraulic Brake
- 48-Hole 12-Gauge Wheels
- Premium Passenger Seating
- Seat Belts
- Rear Storage Compartment
- Onboard USB Charger
- Vertical Storage Bumpers
- Detatchable Cab
- High-Effeciency LED Lighting
- Aluminum Battery Box





## **ADVERTISING**

Pedicab PRIME vehicles have a unique ability to leave lasting impressions with patrons via outdoor advertising located on the back panel, side panels and wheels of the Pedicab.

Pedicabs can be branded for a specific advertising campaign to promote community and city sponsored events, brands, products or businesses.

Pedicab drivers can also be ambassadors for a brand or company by distributing coupons, promotional items and flyers. Branded clothing can also be worn by the drivers to reinforce top of mind awareness for an advertising campaign. All advertising will be produced professionally.

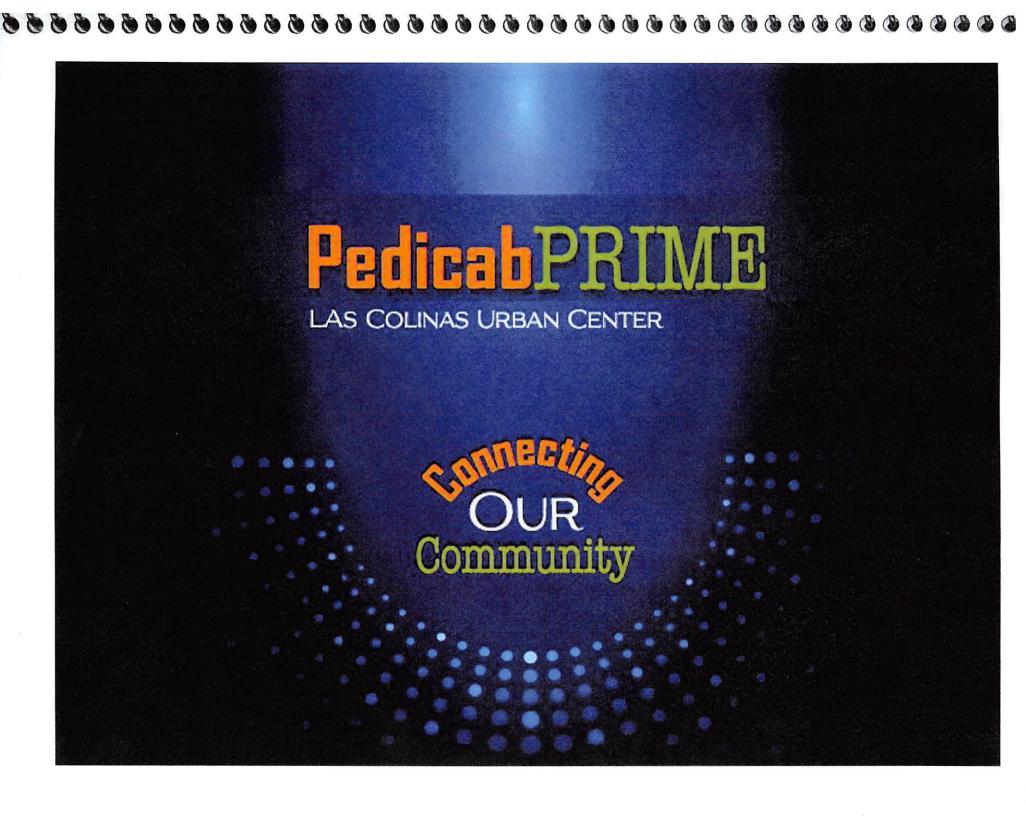
We anticipate a high demand for our advertising space on our Pedicabs that will create community awareness and a powerful brand impression. Pedicab advertising targets the mass market, providing high visibility, frequency and strategic impact.





Pedicab PRIME is an elite Pedicab transportation company seeking approval to operate within the Las Colinas Urban Center. We believe we will be an integral part of the unique culture of the growing, thriving Urban Center by serving as a conduit to connect the community for residents and visitors alike.

- · Create "People Friendly" Culture around the Urban Center
  - Ambassadors for the city, businesses, dining and entertainment venues
- Emission Free, Eco-friendly "Green" transportation
  - Providing <u>safe and accessible</u> transportation that will assist with remote parking, reduce traffic and <u>connect the community in a fun way</u>
  - · Create new entry level jobs
- Professionally managed and operated business
- 15 years experience in the industry



#### IRVING CONVENTION AND VISITORS BUREAU

#### **MINUTES – DESTINATION DEVELOPMENT COMMITTEE MEETING**

#### IRVING CONVENTION CENTER - FIRST FLOOR BOARDROOM

#### **TUESDAY, MAY 15, 2018**

Those present for the meeting were: Board Chair Clem Lear, Board Vice Chair Ron Mathai, Bob Bourgeois, Committee Chair Greg Malcolm, Debbi Haacke, Joe Marshall and Joe Philipp – members of the Committee; Bob Bettis, Karen Cooperstein and Kim Limon – members of the Board; Maura Gast, Carol Boyer, Lori Fojtasek and Brenda Lopez – ICVB Staff; Tom Meehan and Matt Tungett – ICC Staff; Guests: Kuruvilla Oommen and Steve Reed – City of Irving; Jeff Binford – CBRE; Patti Cipoletti – Omni Mandalay; Sushil Patel – City of Irving Planning and Zoning Committee.

Committee Chair Greg Malcolm called the meeting to order at 11:32 a.m.

Jeff Binford, CBRE Hotels Advisory Director gave a presentation on Hotel Development Trends. He noted Irving has the highest Occupancy percent at 73.9% in the submarket comparison for year-end 2017. He further reviewed the active pipeline for hotels in the Dallas area, noting status, pricing and dates for hotel openings. Binford commented the area hotels are coming off an all-time high in 2016, but Occupancy will drop slightly with the new supply, but remain 7-8 points above the long run average of 61.7%. He further stated that corporate relocations and commercial office construction are slowing, but still active. RevPAR increases will be driven by Average Daily Rate, not Occupancy, and supply growth will increase over the next four quarters. North and South Irving's Occupancy rates are down slightly from 2017 but remain stable. Binford reviewed new trends and showed the ratio of annual rooms sold to the working-age population in the U.S. is well more than what historical trends would suggest. Seniors (55 and over) represent a greater share of households and spending.

In response to a question from Board Member Joe Philipp, Binford responded managing hotel development is essential to maximize visitors, revenue and protect the market. As the industry evolves, standards should be tweaked allowing adjacent properties that are not in conjunction with the overall experience and inconsistent with the standards will diminish the product we are trying to protect.

Binford further reported AirBNB is considered a disruptor, not paying hotel taxes and they do not play by the same rules and regulations. Statistics show significant AirBNB growth in 2016. In conclusion, he reviewed development trends discussion points. He noted Irving should stay focused on appropriate product, concept and location for specific traveler types. Also, experiential travel, social media, local flavor and create an intent to return for visitors and business travelers. He noted Irving is positioned well for today and headed in the right direction for tomorrow.

Irving Planning and Zoning Committee Member Shashil Patel added that definitions are changing. Stereotype words, such as "budget" and "extended stay" for properties are usually associated with hotel brands. There is brand confusion by using terms that are not completely accurate and the grouping of brands may not necessarily be true. Binford noted that boutique hotels are increasing in interest and are hard to fit into a specific hotel category. Board Member Debbi Haacke noted that the development standards are for creating balance.

IRVING CONVENTION AND VISITORS BUREAU DESTINATION DEVELOPMENT COMMITTEE MAY 15, 2018 Page 2 of 3

ICVB Executive Director Maura Gast stated the City of Irving itself is still a small district and we should protect the investments we are making in everything around us. Quality and high value products are essential, and what is right for Irving in terms of room size and meeting room space at the Westin Irving Convention Center Hotel is key. ICVB Assistant Executive Directors/Sales and Services Lori Fojtasek added keeping standards in place (code enforcement, etc.) that protect the future and current properties, not just new build standards are essential for moving forward.

Malcolm thanked Binford for attending and the information delivered in the presentation.

Discussion was held on the Irving Hotel Development Ordinance. Gast reviewed the concerns that led to the changes in the Ordinance in 2006; overbuilding, rate integrity, neighborhood and property integrity. She reviewed the Irving hotel room inventory history from 1980 to 2017 and noted part of the change is location to Dallas/Fort Worth Airport and Metroplex, and land. Irving Planning and Development Director Steve Reed discussed the city's concerns when the Ordinance was changed, and commented parking needs have changed with shuttles, Urber, Lyft, etc. He reported the 183 Corridor changes and demand have been addressed by the city. Patel asked if construction material concerns were taken into consideration, and Gast added that demand in support of rat is another good piece of the conversation.

In discussion the current Ordinance requirements, Gast reviewed the hotels currently in development in Irving and if required variances were needed. Other projects rumored to be pending were briefly reviewed and included Hampton Inn and Suites at Hwy 114 and Esters, Holiday Inn DFW North, Blue Star land development at Hwy 161, Hidden Ridge4 project at Verizon Campus and an Embassy Suites at Hwy 114 East of MacArthur Blvd.

It was reported the Planning and Zoning Committee is waiting for direction from the CVB Destination Development Committee and Board of Directors and will then present to City Council for new set of Ordinance standards. Director of Sales Omni Mandalay Patti Cipoletti commented what has been done in Irving is phenomenal and the decision for no more development until the Westin Irving Convention Center Hotel is complete was the right thing to do. She added the Ordinance should cover standards that prevent properties that want to be small with little overhead and want to benefit from the Convention Center and Toyota Music Factory, but do not add anything to the area. Irving is a perfect location and the demand is there. New inventory coming in should welcome the assets and the opportunities are exciting.

Lear suggested the Committee be the lead for revisions to the current Ordinance. Gast suggested creating a small working taskforce meeting to work on the details and then make a presentation to the full Committee. Reed volunteered to participate in the taskforce. Malcolm suggested tabling the discussion until a taskforce meeting date to review Ordinance revisions is decided. Discussion was held on the major items for discussion in the Ordinance revision.

Discussion was held on short-term rentals and Gast asked for broad input as City Council will be reviewing the topic sometime this summer. It was noted State taxes are being collected due to State legislation, but no local taxes are being collected. Some cities are permitting with various Ordinances, and some cities are prohibiting short-term rentals completely. Other concerns discussed were neighborhood integrity, inspections, accountability and the impact on existing hotels. Parking restrictions and limits were also discussed. City Attorney Kuruvilla Oommen added he values the Committee's input and effort in building

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DESTINATION DEVELOPMENT COMMITTEE
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the history for Irving to address these issues. City attorneys are carefully monitoring State legislation and talking with stakeholder groups and ultimately what City Council wants to hear. There are an array of challenges and some cities have not prevailed in their Ordinances, so it is important to have the right-size Ordinance for Irving.

The Williams Square and Mustang Museum discussion item on the agenda was postponed as Board Member Jacky Knox was unable to make the meeting today for an updated report.

The Committee discussed the \$10 million Arlington eSports development. It was reported the Arlington Convention Center is reconfiguring their ballroom and all breakout rooms will be converted into training rooms and team locker rooms. The development will hold 1,000-2,000 spectators in a stadium site setting with large video boards. ICVB Sales Manager Debbie Roberts and ICC Director of Sales Matt Tungett are attending an eSports tradeshow to gather more information on the sport and events.

Malcolm asked for approval of the Destination Development Committee meeting minutes from February 6, 2018. On a motion from Philipp, and a second from Lear, the minutes were unanimously approved. It was noted the next Committee meeting will be held on Tuesday, August 7, 2018 at the Irving Convention Center. It was suggested to have an update on Spring Trail Park and rental bike program as agenda items for the next meeting.

There being no further business, the meeting was adjourned by Malcolm at 1:23 p.m.

Respectfully submitted,

Maura Allen Gast, FCDME

Maura Slee Just

**Executive Director** 

# Articles of Interest

From:

To: "Lewis F McLain Jr"

Subject: If D-FW suburbs won"t allow apartments, where will hundreds of thousands of new residents live?

Friday, May 25, 2018 7:41:50 AM

Attachments: image002.png

image003.png

## If D-FW suburbs won't allow apartments, where will hundreds of thousands of new residents live?

#### Written by



Steve Brown, Real Estate Editor





Let's start with the numbers.

More than 70,000 people a year are moving to the Dallas-Fort Worth area. Most of them are coming to North Texas to take the thousands of new jobs being created here each year.

The Texas Workforce Commission estimates that more than 130,000 jobs were added in D-FW in the 12 months ended in April. Most of the migrants are young folks in their 20s and early 30s. Most of them want to rent apartments, not buy homes.

So we need apartments — lots and lots of apartments.

Builders are on board with that plan. They are constructing more apartments here than anyplace in the country.

More than 30,000 apartments are currently being developed in the D-FW area — most near employment centers in the central city and the northern suburbs. Developers want to build even more, but communities are increasingly pushing back against that plan.

Stop by any suburban city planning commission meeting where there's an apartment project on the agenda, and you're likely to see ranks of sour-faced residents there to make their pitch against more rental units.

We've heard it all before — more traffic, more crime, more everything that's bad for the community.

Never mind that we have to figure out a way to house thousands and thousands of people moving here to take new jobs.

Never mind that homeownership is <u>increasingly out of the reach of young workers</u> burdened with student debt.

Recently I sat in on a Frisco planning commission meeting where property owners were seeking to rezone land on the Bush Turnpike right across the street from Toyota's huge North American headquarters.

Apartments were just one part of their proposal for a mixed-use development. But that's what triggered the most critics of the deal on one of our area's busiest freeways.

Developer Sam Ware, who's rebuilding the old J.C. Penney headquarters complex in Plano's Legacy business park, sought zoning for apartments as part of his mixed-use redevelopment. Ware is turning the <u>old Penney offices into a multitenant business center</u>. And he wants to build additional offices, retail, hotel rooms and apartments on the surrounding land.

The Penney headquarters is smack in the middle of one of North Texas' biggest employment centers with more than 20,000 new jobs being added to the area. Employers who are moving to these new business campuses all say the same thing — they want new apartments, retail and restaurants nearby.

They call it "work, live and play," and it's the driver for developments like the \$3 billion Legacy West and the huge CityLine complex in Richardson with 10,000 State Farm Insurance workers.

Legacy West, which surrounds the Penney headquarters, already has retail and hundreds of apartments to serve workers flooding the area for <u>Toyota</u>, <u>Liberty Mutual Insurance</u>, FedEx Office, JPMorgan Chase and others.

But Ware got so much pushback from Plano residents about adding luxury apartments to his project that at the last minute he pulled the zoning request — the original plan was to add some 1,000 apartments.

Ware said his project "is one of the few places in D-FW where we can have work, play, live.

"Why it is not fully embraced is shocking and disappointing."

It's also going to increasingly be a problem in a metro area where the population is expected to top 10 million by 2030. That's more than 2 million more people who will need a place to live.

More than 40 percent of residents in the D-FW area are renters. So we'll need rental units for almost 800,000 people.

Where are we going to put the apartments?

"Not in my backyard" is not an answer.

# Developers Use Street Festivals To Attract Business

July 31, 2018 Chuck Sudo, Bisnow Chicago

CHICAGO — It is a Sunday afternoon and Lincoln Avenue is shut down for six blocks from Fullerton and Halsted, north to Wrightwood and Sheffield for the 35th annual Taste of Lincoln Avenue. Over the course of the weekend the festival — one of the largest in the city — transforms Lincoln Avenue into a concert venue, outdoor dining pavilion, retail shop and community gathering space.

Underneath a canopy tent a block from the festival's southern entrance is a table manned by two young women, loaded with beer koozies and sunglasses, while a cornhole set bakes in the afternoon sun, waiting for people to play.



This is all to promote Duet, a 31-unit luxury apartment building at 904 and 909 West Montana St., situated along the festival route. A man sees the tent, then stops to chat with the women about the development. He is at the festival for good food and a good time, but he might leave with plans to rent a new apartment.

Chicago is home to over 400 neighborhood festivals from May to September. These festivals highlight the city's depth of food, music and ethnic customs. They also capture huge audiences, and real estate developers, brokers and property managers are using festivals to promote their upcoming developments, current listings, services and platforms.

Taste of Lincoln Avenue attracts over 70,000 visitors annually and had two developers on its vendor rolls. In addition to Duet, Spaces Real Estate set up a tent at the northern end of the festival. At this year's Printers Row Lit Fest, an annual book fair in the South Loop, Lendlease had a tent promoting The Cooper at Southbank, a 29-story, 452-unit rental property opening in September. That festival attracts over 100,000 people each year.

Sponsor Chicago President Noreen Smyth, whose group produces Taste of Lincoln Avenue, said having a presence at a street festival is more effective than a TV, radio or internet ad campaign.

"No other form of marketing allows you to talk directly to an audience," Smyth said.

Susan Beyler, a principal at 33 Realty, said her firm will participate at street festivals near one of its upcoming developments.

"That's where we see the most value. The majority of people attending street fests live in the neighborhood. They're familiar with the neighborhood and they're in our target demographic," Beyler said.

Beyler said Duet, a joint venture of 33 Realty and Blitzlake Partners, will welcome its first wave of renters this week. The representatives manning the tent worked 10-hour shifts handing out branded giveaways and marketing materials, answering questions about Duet's amenities and unit features and assuring interested renters the building would be ready.

#### **Cost-Effective Marketing**



At Taste of Lincoln Avenue's northern end, Spaces Real Estate had a tent promoting its brokerage services. Spaces Director of Marketing Cory Hanlin said the firm participates in three or four festivals every summer. A combination of marketing reps and brokers work four-hour shifts. For a three-day festival, as many as 20 brokers

will work a booth.

"We choose festivals in neighborhoods where we have enough listings to make sense to be there," Hanlin said.

In addition to leveraging a captive audience, the cost of setting up shop at a street festival is a creative way to stretch a marketing budget. A simple booth sponsorship can run in the low four figures and come with added perks such as preferred placement on-site, or a link to the company on the festival website. Sponsorships at larger festivals like Do-Division in the Ukrainian Village, Taste of Randolph Street in the West Loop and Halsted Street Market Days in Lakeview — which bring in big-name music acts — run into five figures. Hanlin said Spaces prefers to buy booth sponsorships at smaller fests like Taste of Lincoln Avenue because they are quieter and allow for more valuable face-to-face interactions.

The potential return on investment of a booth sponsorship is another contributing factor in real estate firms' decisions to work a street festival. If a real estate firm pays \$2K for a weekend booth sponsorship, and is able to sign two leases at \$2,500/month, the firm comes out ahead.

#### **Community Ties**

Sometimes companies are simply looking to build ties to the community they call home. McCaffery Interests Marketing Manager for Property Services Megan Warmouth said the firm had a behind-the-scenes presence at Taste of Lincoln Avenue this year, feeding volunteers. McCaffery plans to market Lincoln Common, its redevelopment of the Children's Memorial Hospital campus, at Taste of Lincoln Avenue when it is delivered next year.

McCaffery used All Things Go, a street festival in Washington, D.C.'s Yards Park with an annual attendance of 12,000, to market F1RST Residences, a 325-unit apartment building with ground-level retail across the street from Nationals Park.

"It's a great way to solidify the relationship we have with the neighborhood. We look at our participation in street festivals as a friendly partner, rather than promoting ourselves," Warmouth said.

#### **Using Swag As A Lure**



But it isn't enough to simply set up a tent. Real estate firms come to street fests armed with free giveaways for people who stop at their booths. Warmouth said McCaffery gave away F1RST-branded sunglasses, koozies, pens, collapsible water bottles and dog bandannas (to highlight F1RST as a dog-friendly community) at All

Things Go. At Taste of Lincoln Avenue, McCaffery gave Lincoln Commonbranded sunglasses to volunteers. Warmouth would not say how much McCaffery spends on branded swag.

Beyler wouldn't disclose specifics on how much 33 Realty spends on its swag, but said any leftovers would be used for open houses and placed in new tenant move-in bags.

"It helps that the giveaways we buy are thoughtful. We think about what people need at the moment," Beyler said.

Spaces had branded sunglasses and credit card holder attachments for smartphones at its booth. Hanlin said the price broke down to about \$1 per piece, and Spaces spends between \$10K and \$12K for giveaways annually.

#### **Tracking Emails And Raising Brand Awareness**

Street festivals are good opportunities for real estate companies to expand their email lists, though representatives *Bisnow* spoke to admit there is a law of diminishing returns.

Beyler said 33 Realty tags new additions to its email list by how they were sourced so that, in the case of Duet, the company can track someone interested in renting an apartment from the moment one first hears about the project to the moment that person signs a lease. It also provides another data point for 33 Realty to track return on investment on its marketing dollars.

Hanlin said Spaces does not track emails based on where they are gathered as the company's email list is too large and the majority of recipients treated Spaces' announcements like spam.

"We would use the emails we initially gathered to promote seminars or events, but found it wasn't worth it," he said.

The main purpose of participating in street festivals, he said, is in raising awareness of the Spaces brand to people looking to rent or buy, or for landlords looking to sell a building or find a property manager for a building. Hanlin said Spaces had a couple of buyer clients last year as a result of working the festivals.

"We even marketed a building in Wicker Park where the landlord remembered us through a chance meeting at a festival," Hanlin said.

See Also: Skender Rebrands, Expands, Plans Modular Manufacturing Plant On Southwest Side

Related Topics: McCaffery Interests, F1RST, 33 realty, Susan beyler, The Lincoln Common Chicago, commercial real estate marketing, Spaces Real Estate, Cory Hanlin, Megan Warmouth

From: Lewis

To: "Lewis F McLain Jr"

Subject: Frisco Planning and Zoning Commission OKs permit for new music venue, Music City

Date: Wednesday, May 09, 2018 7:03:15 AM

## Frisco Planning and Zoning Commission OKs permit for new music venue, Music City



The Frisco Planning and Zoning Commission approved a specific-use permit of a new entertainment facility called Music City. (Nicole Luna/Community Impact Newspaper)

By Nicole Luna | 10:01 pm May 8, 2018

The Frisco Planning and Zoning Commission approved a specific-use permit Tuesday for an almost 7-acre entertainment venue called Music City on the east side of the Dallas North Tollway.

The project will have a 1,002-seat indoor theater, 390-seat outdoor stage and a restaurant. According to city documents, the facility will host concerts, movies, wine festivals and theater productions.

The property is currently owned by the Frisco Economic Development Corp. and is located on the east side of the DNT just north of McCandless Way. The property is also just south of the \$2 billion Wade Park mixed-use development, which is now facing <u>foreclosure</u>.

City staff recommended approval of the request pointing out that the facility would be an appropriate use for this location and is compatible with the city's future land use plan. City staff also said the facility would not negatively affect the surrounding uses.

Overall, commissioners said they liked the design of the project and believe it complements what Frisco has to offer.

Commission Chairman Robert Cox also pointed out in the meeting that this venue does not replace the plans for a potential performing arts center.

"There's a different set of needs for a music venue than there is for a performing arts center," Cox said. "I think we have a need for this in our city."

Dallas-based design firm Hodges Architecture designed the preliminary plans for Music City.

Request for permit will go before City Council for final approval.

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# In Dallas, The Battle For Convenience Is **Reshaping Brick-And-Mortar Retail**

July 31, 2018 Ridgemont Travis Gonzalez, Writer



During Amazon Prime Week, a period when the ecommerce giant offers sales on popular items, in-store foot traffic at big-box retailers declined by nearly 5%. The drop in foot traffic emphasizes the shift occurring among brick-and-mortar retailers. In a retail landscape where 79% of consumers now shop online, physical stores have

had to redefine the experiences they offer consumers.

As foot traffic dwindles, retail centers anchored by grocery, theaters, fitness centers and other entertainment remain active. Cities like Dallas have been at the forefront of the retail transformation. Boasting a growing population and an unemployment rate of 3.4%, America's fourth-largest city continues to demand a new supply of convenient retail experiences.

## **Repurposed Big-Box Stores**

Established chains like Sears and Toys R Us have shuttered storefronts across the U.S. In Dallas, the closing of three Sears stores and a Toys R Us totals 600K SF of vacancy, Weitzman reported. But it is unlikely that the spaces will remain vacant for long. Weitzman expects to see them reabsorbed or redeveloped within the next 18 months as multi-tenant spaces. Owners of wellness facilities and entertainment venues like movie theaters have also been drawn to the large spaces.

Several of these repurposed spaces will be filled with grocery tenants, a growing and stable retail asset in the age of online delivery. Investment in groceryanchored centers in 2017 increased by 5.3%, JLL reported, fueled by consumer demand for convenient access to fresh produce. Sam's Club, for instance, plans

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to open a new concept in an approximately 32K Sr vacancy left by a walmart Neighborhood Market in Dallas. The smaller-format Sam's will feature digital signage throughout the store and cashierless checkouts.

These are changes that Ridgemont Commercial Construction Director of Retail Services Kevin Mezger has witnessed firsthand. Ridgemont is a contractor for Whole Foods, Sprouts, Albertsons (and all affiliates), Kroger and several other grocery brands.

"What we have seen is the 20K SF to 35K SF-sized grocery store as the most active type looking at those spaces, which is common in a down economy and not the one we are in currently. We typically don't see this particular type of space come available in a robust economy," Mezger said.

Weitzman predicts that about 3.5M SF of new retail space, which includes new grocery stores, will open in the Dallas-Fort Worth area this year.

For Kroger Construction Manager Craig Winkler, new grocery development comes with cautious optimism.

"Over the last few years, we have seen a huge surge and build-out of our inventory of spaces, and now it is a matter of getting new locations," Winkler said. "We are always carefully examining new locations. Many areas are growing rapidly, and we will continue to watch the housing market as it is a critical factor in our investments."



# Retail Giants Battle For Delivery Market Share

Dallas has long been a sandbox for developing and honing retail concepts. One of the biggest hubs for U.S. retail headquarters, Dallas saw nationally recognized brands

from The Container Store to RadioShack grow their franchises in the city.

Dallas, and Texas as a whole, has also become the staging ground for grocery concept experiments between Amazon and Walmart, which continue to go head-to-head in the race to capture both e-commerce and brick-and-mortar market share. For Walmart, more than 10% of its U.S. sales come from Texas. It is where Sam Walton, who founded Walmart and Sam's Club, first learned about the grocery business in the 1980s. In recent years, Amazon has crept into the brick-and-mortar space, particularly after its acquisition of Whole Foods last year.

In February, the e-commerce giant announced that Austin would be one of four cities offering grocery deliveries from local Whole Foods locations. Walmart is dipping a toe into online grocery delivery with "Wam! By Walmart," for which it filed a trademark earlier this month. The retailer is partnering with Uber to help make deliveries in Phoenix, Tampa, Orlando and Dallas.

The interest in online delivery comes as the market for retail space in Texas continues to tighten. Despite increased investment in grocery-anchored tenants, new supermarket construction fell from 3M SF in 2016 to 1.2M SF in Texas in 2017. While big-box store closures in North Texas will create a total 1M SF of vacancy, only 8% of North Texas' retail space is empty. Online grocery offers a way to grow market share by using existing physical locations as last-mile storage facilities.

As retailers compete for space and the dwindling attention of consumers, companies are expanding their services into new areas. Walmart recently opened a 3K SF gas and convenience store in Plano. Should the concept succeed, Walmart plans to open up three similar stores in the parking lots of shopping centers in the Dallas-Fort Worth area. Similar to grocery anchors, convenience stores have outperformed other retail sectors over the past few years. Convenience stores outgrew large-format stores by 400% in 2016.

"With the two giants, Walmart and Amazon, battling for the e-commerce grocery sales and distribution market share, it will be interesting to see how that plays out, and what other grocers do to compete," Mezger said.

Convenience stores and pharmacies have also looked to repurpose vacant space. CVS recently opened a two-story location in Downtown Fort Worth in a space once occupied by a sports bar.

Rather than focus on convenience stores, Kroger sold that side of its business for \$2B earlier this year. The sale complements the grocer's Restock Initiative, which will revamp in-store product offerings and technology like "Scan, Bag, Go," a mobile app-driven self-checkout service. One of those upgrades has been increased prepared, healthy meals, similar to what is being offered in new grocery concepts like Amazon Go.

"The family household is busier now, more than ever and convenience has become paramount," Winkler said. "At Kroger, we are focused on redefining the customer experience through a variety of shopping options such as curbside pickup, home delivery and easily prepared meals, to name a few."

### **Amazon Storefronts**

Dallas is among the cities on the shortlist to host Amazon's second headquarters, and while Amazon has not made its decision known, it has expanded its presence in Texas with brick-and-mortar storefronts. In 2016, the e-commerce giant opened 21 pop-up electronics stores across the U.S., including one in Arlington and another in San Antonio.

The pop-ups, which are part of the company's plan to supplement online services with physical locations, give consumers an opportunity to interact with and learn about products. Following the success of the pop-ups in Texas, Amazon opened a kiosk at the Grapevine Mills shopping center last year. The expansion is yet another way retailers are competing to provide the most convenient services to consumers.

"The digital landscape continues to grow and evolve, and customers are becoming more and more digitally savvy," Winkler said. "At Kroger, we have a combination of customer connection, food expertise and data analytics that enables our company to develop new, dynamic customer experiences, both digitally and in stores.

This feature was produced in collaboration between Bisnow Branded Content and Ridgemont Commercial Construction. Bisnow news staff was not involved in the production of this content.

See Also: Fever Pitch: 9 New U.S. Soccer Stadiums Rise With Sport's Popularity

Related Topics: Ridgemont Commercial Construction, big box retailers, Grocery anchored retail, Brick-and-mortar retailers, Amazon Whole Foods, Walmart grocery, Amazon brick-and-mortar expansion, Walmart Texas, pop-up retail, Kevin Mezger

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From: Lewis

To: "Lewis F McLain Jr"

**Subject:** \$1.5 billion Lewisville project will bring office, retail and apartments to S.H. 121

**Date:** Wednesday, June 13, 2018 8:42:18 AM

Attachments: image002.png

# \$1.5 billion Lewisville project will bring office, retail and apartments to S.H. 121

#### Written by





Construction has started in Lewisville on a \$1.5 billion mixed-use development that will be an urban center for the Castle Hills community.

The 324-acre Realm at Castle Hills project on State Highway 121 west of Josey Lane will have offices, retail, restaurants and apartments. Construction on the first phase includes a nine-story office and retail building. Another building with retail and apartments is in the works.

The buildings will front a planned park.

"The ground floor of the office building is about 15,000 square feet of retail," said Chris Bright, CEO of Castle Hills developer Bright Realty. "We are building it to front on what we call the Crescent, a plaza area with water."

Bright Realty will move into more than 50,000 square feet of the 235,000-square-foot office building, which will open in mid-2019.

Although Castle Hills has had some limited office construction, this is the first large building in the development, which is more than 20 years old.

"The demand to live, work and play in the same area has transformed our suburban communities," Bright said. "The Realm is designed with that in mind and with a focus on an overall quality of life that offers a sophisticated suburban setting with generous outdoor and event spaces."

The second phase of the project will include 260 apartments above 35,000 square feet of retail. Bright said his zoning with the city of Lewisville calls for the kind of high-density mixed-use project located in nearby Plano and Frisco.

"There is really no limit of the amount of apartments we can build as long as we build it over a commercial use," Bright said. "We think we'll probably end up with between 2,000 and 3,000 multifamily units over the commercial uses."

Castle Hills' development site is just west of the huge <u>Grandscape mixed-use project</u>, which is on Highway 121 and anchored by Nebraska Furniture Mart.

The \$3 billion Legacy West development with office campuses for Toyota, Liberty Mutual Insurance, JPMorgan Chase and FedEx Office is to the east, near Dallas North Tollway.

Bright said Castle Hills is in the final phases of development, which started as a sprawling residential community.

"We will max out a little over 5,000 houses," Bright said. "We've got probably 4,200 homes on the ground right now and are in the process of developing our last 600 or 700 lots.

"We still have about 450 acres left. Primarily what we have left is focused on more high-density uses — office, retail and multifamily."

Bright estimates that there's still more than 10 years of work left for the commercial and mixed-use project.

Dallas' BOKA Powell and 505 Design were architects for the Realm at Castle Hills office, retail and apartment buildings. Hill & Wilkinson and Andres Construction are the general contractors. Southwest Bank, a division of Simmons Bank, is financing the project.

Colliers International will lease the office building.

Future phases of The Realm include plans for residential condominiums and an amphitheater entertainment district, along with more retail, restaurants and apartments.

Land for the Castle Hills development was purchased starting in the 1950s by the late Dallas businessman H.R. "Bum" Bright.

Bright began planning the project in the 1980s for the farmland northwest of Dallas.



The first phase of the development will include a nine-story office and retail building. (Bright Realty)



April 11, 2018

# Deal of the Year: 'Next-generation' ballpark takes top prize at Best Real Estate Deals Awards

Thousands of fans will come to Globe Life Park to watch the Texas Rangers play ball this season. And as they walk into the stadium, fans won't be able to miss a major development going on just across the street.

The Texas Rangers, the City of Arlington, The Cordish Companies and several other firms have joined forces for a project they hope will transform the region: Texas Live!

"It has been a dream for Arlington to further develop our entertainment district with projects just like Texas Live! and its upscale, adjoining hotel," said Arlington Mayor Jeff Williams at the district's ground breaking last year. "Texas Live! is more than just an entertainment destination. It's a catalyst development for Arlington that will help take our community to the next level."

When finished, those involved with developing the entertainment district hope that the added restaurants, luxury hotel and, of course, a state-of-the-art baseball stadium will entice the thousands of North Texans that attend Rangers games to come earlier and stay later.

The new stadium for the Rangers will be the anchor of the development. The stadium, which will be called Globe Life Field, will cost an estimated \$1.1 billion to build and is expected to open March 2020.

Those involved in the project have big plans for the 1.7 million square-foot venue.

"We really wanted to create the first next generation ballpark," said Bryan Trubey, executive vice

president and director of sports and entertainment for Dallas-based HKS Inc., which designed the new ballpark. "We didn't want to design another incremental ballpark, but make an epic and game changing improvement."

The design of the new stadium is meant to compliment, not copy, the Rangers' current facility. The new stadium will have a capacity of 41,000 people and will also be built from limestone and brick from the Lone Star state.

While those overseeing construction of the park want to keep the open-air feel, one of the big draws of the new stadium will be a retractable roof that can shield players and fans from the harsh Texas sun, especially during those summer day games. A retractable roof will also allow the Rangers to host some massive events outside of baseball games.

When team leadership was deciding how to design the new stadium, they had to consider what fans are demanding now that they weren't when the current stadium, Globe Life Park, opened in 1994.

As fans get up out of their seats during or in between innings, they are usually closed off from the action on the field. The new stadium will attempt to remedy that problem.

"All of our concession stands and restrooms, all of our services if you will, are pushed to the outer concourse. And that was something we didn't do in the design here at Globe Life Park," said Rob Matwick, executive vice president of Business Operations for the Rangers. "And the advantage to that is when you're walking around the concourse, even though you may be up out of your seat you still have a view back to the field.

"When you come up on our concourse today, you really lose track of what's going on in the field. You hear the roar of the crowd and you have no idea what happened unless you're close to a TV monitor somewhere," Matwick added. "So, both on the main concourse and the upper concourse in the new ballpark, we've designed that circulation to be 360 degrees around the building which keeps fans connected."

The new ballpark has begun to take shape this spring, as toward the end of February construction workers began to pour the first 725 structural concrete columns.

In the last five months, 1.3 million cubic yards of dirt has been excavated from the 13-acre future site of the venue. That translates to about 97,000 truckloads.

One of the biggest components that separates the Texas Live! development from other Live! projects around the country is the inclusion of a 300-room hotel — Live! by Loews — during the initial phase of construction.

Tourism is the big reason why the hotel is being built now, said Jim Watry, chief operating officer of Texas Live! Watry has been with Baltimore-based development firm the Cordish Companies for it years. Cordish is the firm that's teaming up with the Rangers to make Texas Live! a reality.

"We saw in St. Louis when we opened up four years ago, the hotels' occupancy went up because people had enough to stay in town," Watry said. "And I think here, too, you've got lots of great reasons to come to Arlington. Texas Live! will be another reason. I think people will extend their stay and stay a little longer."

Construction on the \$150 million Live! by Loews hotel got underway in November. The hotel is scheduled to open in 2019 and will stand 14 stories tall.

The hotel will include a veranda-style terrace that will serve as the central gathering place, an outdoor infinity pool with two bars and a private rooftop terrace for events overlooking the district. Fort Worth-based Revolver Brewing Brewery — makers of the popular Blood & Honey beer — will have a bar and tasting room at the hotel, too.

Another key component of the hotel will be a two-story, 35,000 square-foot event center with a grand ballroom that will hold up to 1,500 people.

"What it does is create an opportunity for the city to attract larger events, more conventions," said Zed Smith, chief operating officer of the Cordish Companies. "The whole purpose of this development is to position Arlington as a world class destination for conventions and visitors. I think by adding Loews now, it kind of enhances the pace of all that. Another key component of the Texas Live! development is the restaurants that will populate the entertainment district."

And it's Texas, so you have to have BBQ. Last spring, Lockhart Smokehouse announced it chose Texas Live! for its third location in Dallas-Fort Worth. To accommodate the anticipated thousands of hungry patrons before and after games, the Arlington location will be the restaurant's largest concept yet.

"I think we're thinking about four or five pits," said Lockhard co-owner Jill Bergus. The restaurant's other two locations in Plano and the Bishop Arts District in Dallas each have two pits for cooking meat.

Famed chef and television personality Guy Fieri will also open a concept unique to the development. Fieri has been mum on what kind of food his place will serve.

Multiple firms are helping bring Texas Live! to life. The Cordish Companies and the Rangers selected

Manhattan Construction Company and Arlington-based Con-Real to take on construction of the project.

Additionally, Hord Coplan Macht, Jeffrey Beers International, Mycoskie+Mcinnis+Associates., and McLaren Engineering Group will lead the architecture, interior design, civil engineering, and structural engineering, respectively.

#### **KEY PLAYERS**

Rob Matwick, Texas Rangers Baseball Club Blake Cordish and Zed Smith, The Cordish Cos. Jeff Williams and Trey Yelverton, City of Arlington

View the article online here.

https://www.wsj.com/articles/professional-videogamers-get-their-own-stadiums-1529512135

#### THE FUTURE OF EVERYTHING

# Professional Videogamers Get Their Own Stadiums

This month, Arlington, Texas, will start construction on a 100,000-square-foot arena for live videogaming competitions—what is set to be the largest in a growing number of venues dedicated to esports

By Leigh Kamping-Carder June 20, 2018 12:28 p.m. ET

Arlington, Texas is a professional-sports powerhouse, home to the National Football League's Dallas Cowboys, Major League Baseball's Texas Rangers and the WNBA's Dallas Wings. The city of just under 400,000 hosted the 2011 Super Bowl and the 2010 and 2011 World Series.

Late last year, Arlington officials decided to pursue the next big thing in sports—whatever that might be—and asked New York University's Tisch Institute for Global Sport to recommend an area of investment. The program had what amounted to a one-word answer: Esports, otherwise known as competitive videogaming.



The centerpiece of Esports Stadium Arlington will be a 30,000-square-foot competition space, seen here in a rendering. **ILLUSTRATION**: POPULOUS

This month, Arlington will begin construction on a 100,000-square-foot esports facility: Esports Stadium Arlington. Once completed, it will be the country's largest venue devoted to

the world's fastest-growing spectator sport.

Esports are on track to generate \$905.6 million from 380.2 million fans in 2018, up 38% from last year, according to market-research firm Newzoo BV. Most enthusiasts watch via online platforms such as Twitch, YouTube and Mixer, which offer live streams of competitions and other content. But real-life match-ups are growing in frequency and popularity. The 588 major esports events that took place in 2017 brought in an estimated \$59 million in ticket revenues, up from \$32 million in 2016, Newzoo said. And yet, until recently, gaming fans have gathered for live competitions in hotel convention rooms, retrofitted sports stadiums and even unused warehouses. None of these is an ideal venue for an esports tournament, which can last up to 12 hours and combines the thrill of live competition with the lighting effects and immersive audio of a pop concert.

Since late 2015, half a dozen major esports venues have opened in the U.S. alone. Outfitted with top-tier gaming consoles, multi-story LED screens and production facilities that livestream to YouTube and Twitch, they cater to an audience far younger and more mobile-centric than most professional-sports fans. "It's a building type that's for a new consumer," said Brian Mirakian of Populous, the Kansas City-based architecture firm designing Arlington's stadium. "This is uncharted territory."

Newsletter Sign-up

Arlington is repurposing its 175,000-square-foot convention center to create an exhibition hall and the arena complete with retail, public gaming consoles and a training academy for the next generation of pros. The centerpiece of the facility is a 30,000-square-foot competition space—a former ballroom with 40-foot ceilings—that will accommodate 250 to 2,500 fans, depending on the event. Players will have warm-up space to run through simulations with their coaches, as well as hair and makeup stations to get them camera ready. A state-of-the art broadcast studio will produce shows and clips and livestream events to Twitch, YouTube and television networks,

allowing millions of esports fans around the world to watch the action (and providing another revenue stream for the venue).

The stadium, which is scheduled to open to fans in late November, will cost \$10 million, city officials said. Like other major esports venues, the project will adapt an existing structure, which keeps costs down.

Arlington Mayor Jeff Williams considers the esports stadium part of a broader economic play



Esports tournaments can last up to 12 hours. At Esports Stadium Arlington, there will be public gaming and seating areas, seen here in a rendering. **ILLUSTRATION**: POPULOUS

tied to the birth of a nearby entertainment district called Texas Live! "We see it as just a wonderful opportunity for us to be able to increase our tourism, to be able to keep a lot of our millennial talent right here in our city, but also to attract other millennial talent," he said.

Most of Esports Stadium Arlington's attendees will be 18 to 34 years old, said Mirakian, who has spent the last few years researching esports and its fanbase. (Baseball's television audience, the oldest among North American professional sports, had an average age of 57 in 2016.) To appeal to its Gen-Z and millennial clientele, the stadium plans to offer upgrades like exclusive access to "experiences," rather than expensive suites. That could mean tracking players' biometric data and offering spectators a real-time mobile feed of their heart rates and body temperatures, he said. Alcohol will be available, but Mirakian expects energy drinks will be just as popular given the age of the audience and length of tournaments.



Videogame developer Blizzard Entertainment opened its 74,000-square-foot Burbank, Calif., arena last year. **PHOTO**: ROBERT PAUL FOR BLIZZARD ENTERTAINMENT

One of the largest videogame developers, Blizzard Entertainment, is also bullish on brick-and-mortar venues. The company opened two arenas last year, one in Taipei and another in Burbank, Calif., that occupies a former soundstage for "The Tonight Show." Currently the country's largest esports-specific venue, the 74,000-square-foot Blizzard Arena in Burbank is home to the Overwatch League, a 12-franchise league that plays Overwatch, the popular teambased first-person shooter, for which it recently began offering season tickets.

Allied Esports International, a network of esports venues, has opened six dedicated esports properties since late 2015 in China, Germany and California. Its largest venue—the 30,000-square-foot Esports Arena Las Vegas, which replaced a nightclub in the Luxor Resort & Casino—opened in March.



Allied Esports International has opened six esports venues since late 2015, including Esports Arena Las Vegas in the Luxor Resort & Casino. **PHOTO**: ESPORTS ARENA LAS VEGAS

On a recent evening, the venue was hosting one of its frequent community nights. Anyone could sign up to compete at Overwatch, including on stage, where their kills and jumps were visible on the 1,000 square feet of screens above their heads. The crowd was a mix of children, hardcore gamers—a cluster of young men from the University of Nevada Las Vegas—and first-timers who'd wandered in from the casino floor, oversize novelty cups in hand. Awash in blue and red light, the industrial-style space was free to enter, with sleek armchairs clustered around consoles for retro games, which were free to play. The venue charges for entry to the professional tournaments and for use of high-end consoles and PCs. There are also two bars with a menu curated by avowed gamer and celebrity chef José Andrés.

Jud Hannigan, Allied's CEO, said arenas are important to the future of esports. Having competitors meet face-to-face and use the same equipment helps level the (virtual) playing field, bringing legitimacy to the industry. But more importantly, Hannigan said, esports are increasingly a real-life communal activity. Millions of people tune in online, Hannigan said, but "there is no substitute for getting together."

# Where are all the big events?

Jerry World seems to have lost its touch in attracting sports' finest



called Cowboys Stadium.

While never ruling out success in the paritydriven NFL, some of us gave up expecting the Cowboys to produce championships under the guidance of owner Jerry Jones some time ago. Twenty-two seasons without a trip to an NFC Championship Game will bring out the cynic in anyone.

On the other hand, I made my first trip inside what was then called Cowboys Stadium in August 2009 to see Paul McCartney deliver a 35-song concert. Sir Paul was great, the sound was not but I realized that night the same thing that most everyone figured out as soon as they stepped into the immaculate, new Cowboys palace.

This place was destined for big events.

And so they came. But my question now: Why have they stopped coming? A major announcement was anticipated this week.

No one thought it would be delivered by Bob Bowlsby and that it would be confirmation that Big 12 media days will be held at the stadium instead of Frisco next July.

What happened to the really big stuff? Or should I just say: Why don't people like us? Remember that Jerry World was the site of the NBA All-Star Game and its record attendance in 2010. Green Bay and Pittsburgh played the Super Bowl there following the 2010 season. The NCAA men's Final Four stopped by in 2014, with Connecticut upsetting Kentucky. Then nine months later, Ezekiel Elliott tried out his future home, rushing for 246 yards in Ohio State's victory over Oregon in the first CFP championship game.

We grew to expect this sort of thing, and why not? Biggest scoreboard, more seats, more suites, more money. These things matter to the people choosing sites for their championship events.

But in case you missed it, the NCAA announced Final Four sites this week, and Arlington got kicked to the curb one more time. Houston was selected for the 2023 games, followed by Phoenix, San Antonio and Indianapolis.

Why is this alarming? Because all four have already held or, in Indy's case, will have already held Final Fours since they were played in Arlington in 2014.

Houston, Phoenix and San Antonio appear to be on a seven-year rotation. Indianapolis, the site of the NCAA, gets the Final Four every five or six years. The event set attendance records here, but it will be a minimum of 13 years between Final Fours for AT&T Stadium.

The good news, if you can call it that? Another "Wrestlemania" could be headed for AT&T Stadium in the next year and, believe it or not, that has as much economic impact as a Final Four.

We know that the building is perfect for Super Bowls and we also know it was wildly imperfect the last time around.

The weather was a fluke that shut down most of the country, although, needless to say, some municipalities do better with snow and ice removal.

It's not our strength, but it's also unlikely to be needed next time around.

And, yes, there were a few lawsuits about fake seats but, hey, that's been cleared up. Is the league still punishing Jerry and willingly passing on all that glorious suite revenue? The next six Super Bowls are slated for Atlanta, Miami, Tampa Bay, Los Angeles, Phoenix and New Orleans.

The NFL has reversed its longstanding policy of having cities bid for the games and now solicits cities on its own. Regardless, it will be more than a decade between Super Bowls here, something that never happens in New Orleans despite the fact the lights went out in the Superdome the last time it held the game.

I figured the CFP was a staple for AT&T Stadium, given the game's ties to the area (the headquarters are local and the committee meets here several weeks each season to select the teams) and, again, the size of the stadium. Instead, we will get some semifinal games but no more championships until at least January 2025.

I've heard suggestions that the Arlington location hurts the stadium, and I can't say for sure that it doesn't, although no one is walking to their hotels or much of anything beyond a look at the Astrodome when they leave NRG Stadium in Houston.

If Dallas had built a downtown stadium and team hotels were closer to the event, things would surely be different, but why even venture down that road? It didn't happen. It didn't come close to happening. Move on.

Perhaps the lesson here is that there is something beyond the famous line from Field of Dreams.

If you build it, they will come.

But will they come back? Until further notice, the answer in Arlington is no.

Twitter: @TimCowlishaw



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## Why North Texas Didn't Make The Cut For NCAA Men's Final Four

By Jack Fink July 19, 2018 at 9:52 pm

Filed Under: Arlington, AT&T Stadium, big events, big games, CFP, Dallas Sports Commission, Final Four, Local TV, sporting events, Super Bowl, Texas







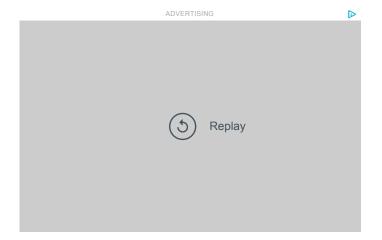






ARLINGTON, Texas (CBSDFW.COM) - This week's announcement by the  $\underline{\mathsf{NCAA}}$  that the Men's Final Four won't be playing at AT&T Stadium in Arlington between 2023-2026 surprised North Texans and raised questions about what happened.

Instead, those  $\underline{\mathsf{games}}\, \underline{\mathsf{r}}$  will be played in Houston, Phoenix, San Antonio and Indianapolis.



Monica Paul, Executive Director of the Dallas Sports 

☐ Commission, which along with the Dallas Cowboys, led the team that submitted the bid.

Paul said, "Obviously, we're disappointed."



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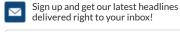






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She said they thought they presented a very solid and competitive plan that addressed concerns by the NCAA after AT&T Stadium hosted the Men's Final Four in 2014.

Paul said the NCAA men's basketball committee told them the student athlete experience and fan engagement in downtown Dallas and Arlington needs to improve. "The student athlete experience starts from the minute they arrive in

Dallas and get off that plane. It can go anywhere from team welcomes to the first time they walk into AT&T Stadium."

She added that they need to continue "To get a little bit creative, think outside the box and figure out what we can do for those student athletes and their families."

One thing that may help is the new Texas  $\underline{\text{Live}} \, \boxtimes^!$  entertainment complex featuring restaurants, mechanical bulls, and music stages that will open August 9, and the new Loewe's 300-room hotel that is set to open next year — both next to the stadiums.

Ron Price, the <u>President</u> & CEO of the Arlington Convention and Visitor Bureau issued a statement saying in part, "We are no stranger to hosting great events, so of course it is a disappointment when not chosen. However, the bid process considers many facets, and we work in collaboration with our North Texas regional partners to make sure every element of a bid is our competitive best."

While AT&T Stadium attracted a record crowd for the first day of the NFL Draft this spring, it's been awhile since it last hosted other top competitions in sports.

If you're keeping score, we haven't had the Super Bowl since 2011.

We haven't had the NBA All-Star Game since 2010.

Paul said they will continue to be aggressive in pursuing other events to host in North Texas.

The Sports Commission she said is now focused on bringing the NCAA's Women's Final Four back to the American Airlines Center in Dallas between 2021 and 2024.

They're also trying to lure the World Cup to North Texas in 2026.

The Dallas Cowboys and Arlington city leaders declined comment for our story.

Miguel Saavedra, manager and co-owner of the Bru City across from AT&T Stadium, says they opened in March right before the NFL Draft. "We picked this location because of the stadium, right? So I'm surprised we didn't get to be host of these events."

At Boomerjack's Grill, right down the street from the stadium, Manager Nick Whatley says he's not concerned about other big games going elsewhere. "I think it's a great area, there's plenty to do around here, plenty of hotels, a lot of attractions."

But he is curious. "They need to find out what's the draw to the other cities, mimic that or improve, do better to draw more

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