



Travis County Commissioners Court Agenda Request

Meeting Date: March 25, 2014

Sponsoring Court Members: County Judge Samuel T. Biscoe and
Commissioner Ron Davis

AGENDA LANGUAGE:

Consider and take appropriate action regarding an interlocal agreement with the City of Austin to conduct a market and feasibility study on future uses and improvements of the Travis County Exposition Center and adjacent Walter E. Long Metropolitan Park.

BACKGROUND/SUMMARY OF REQUEST:

The Travis County Exposition Center is a County-owned, multi-purpose facility consisting of four primary structures on approximately 128 acres out of 1,872 acres of parkland known as Walter E. Long Metropolitan Park. The County has a 50-year lease on the land from the City of Austin, which expires in December 2033. Initially constructed in 1983, the Exposition Center was built to host livestock exhibitions, equestrian shows, rodeos, and other recreational, education, cultural, and historic events. The Exposition Center is the current home of the Star of Texas Fair and Rodeo and a venue for other community events and trade shows.

In May 2010, the Star of Texas Fair and Rodeo issued a market, financial, and economic study for event facilities at the Exposition Center that provided an extensive overview of the Exposition Center, and identified preferred facility characteristics to serve the Star of Texas Fair and Rodeo. Since this study, there have been new developments in the region, including event venues and recreational amenities. These recent and anticipated developments have implications to event facilities and recreational amenities throughout the region and it is important to find the appropriate role for the Exposition Center and adjacent Walter E. Long Metropolitan Park to meet regional demand and need.

In September 2012, the Commissioners Court discussed the exploration of potential opportunities that might be funded through County implementation of venue taxes (hotel/motel occupancy tax and/or rental car tax). This agenda item was sponsored by Commissioner Davis and then Commissioner Sarah Eckhardt. During these discussions, the Court indicated an interest in first identifying potential funding and project partners for a planning and feasibility process. In April 2013, the City Manager updated the City Council via memorandum on City staff discussions regarding partnership opportunities with the County. A copy of the memorandum is attached. The City of Austin and Travis County have a long history of participating in joint use projects and this proposal would identify opportunities to improve the Exposition Center and Walter E. Long Metropolitan Park to better serve the region's demand for event facilities and park amenities, now and in the future.

RECOMMENDATIONS:

The members of the Commissioners Court Exposition Center Subcommittee recommend that the City and County conduct a feasibility study to determine potential future event uses of the Exposition Center and the adjacent Walter E. Long Metropolitan Park for recreation. Specialized planning expertise is needed to proceed with such a study. It is further recommended that the County enter into this interlocal agreement with the City for the purpose of sharing the costs of consulting services to jointly study opportunities that would benefit the community. Staff from the Planning and Budget Office and the Facilities Management Department will work with assigned City of Austin staff to move the study forward to completion.

ISSUES AND OPPORTUNITIES:

In Amendment No. 5 to the sublease agreement between the County and Star of Texas Fair and Rodeo, the two parties agreed to "meet, study and in good faith attempt to negotiate a mutually beneficial long-term sublease agreement." Potential opportunities could include improvements to the Exposition Center, as well as the integration of park improvements with a multi-purpose event center to better serve the region's demands. The study will focus on a thorough assessment of relevant market conditions and potential demand for event/ recreational facilities, including the adjacent Walter E. Long Metropolitan Park.

FISCAL IMPACT AND SOURCE OF FUNDING:

Funding for the County's share of study costs is available in the Exposition Center Fund. The City and the County will each be responsible for up to one-half of the consultant's fee for the services, provided each party's share does not exceed \$50,000, after deducting \$25,000 in funding pledged by the Star of Texas Fair and Rodeo.

ATTACHMENTS:

- Memorandum from the City Manager to the City Council regarding staff discussions about partnership opportunities with the County to evaluate potential improvements to Exposition Center and Walter E. Long Metropolitan Park (April 2013)
- Letter from County Judge Samuel T. Biscoe and Commissioner Ron Davis to Austin Mayor Lee Leffingwell and Members of the City Council expressing support for the joint planning effort to evaluate potential improvements to Exposition Center and Walter E. Long Metropolitan Park (March 2014)
- Memorandum from the City of Austin Parks and Recreation Director to the Austin City Council about the proposed interlocal agreement to jointly conduct a feasibility study to identify opportunities to improve Exposition Center and Walter E. Long Metropolitan Park (March 2014)
- Proposed interlocal agreement between City of Austin and Travis County establishing partnership, including:
 - Draft scope of services for feasibility study

REQUIRED AUTHORIZATIONS:

Proposed interlocal agreement has been reviewed by Tom Nuckols, County Attorney's Office, 854-9513, and by the Purchasing Office, 854-9700.



MEMORANDUM

TO: Mayor and City Council

FROM: Marc A. Ott, City Manager 

DATE: April 5, 2013

SUBJECT: Partnership Opportunities with Travis County, Rodeo Austin and the City of Austin Regarding Walter E. Long Metropolitan Park

Over the last several months, Assistant City Manager Sue Edwards and Sara Hensley, Director of Parks and Recreation, met with representatives from Rodeo Austin and Travis County to discuss creative opportunities for the re-development and enhancement of the Expo Center and Walter E. Long Metropolitan parks grounds.

Rodeo Austin can boast that they are the number one paid festival and event in Austin, along with a rich heritage of promoting Youth Education – Preserving Western Heritage. In addition, approximately \$68 million is generated annually into the Austin economy.

There exists a natural partnering opportunity beyond the current agreement that has been in place with the County and Rodeo Austin since 1983. With approximately 150 acres currently utilized by Rodeo Austin and 190 acres of parkland with picnic and boat launch areas operated and managed by the Parks and Recreation Department (PARC), we may be able to partner with another entity to “grow” the current offerings and facilities.

We imagine a new Event Center and Multi-Use Facility not only for Rodeo Austin, but other events such as concerts, festivals, educational symposiums, and college & university activities. Rodeo Austin utilizes the area for approximately one month a year so the possibilities are endless as to the number of events that could take place.

As we continue the dialog with the County and Rodeo Austin, there may be a need to facilitate a consultant for the purposes of outlining and defining the feasibility of the various opportunities.

We will keep you apprised of the progress as we move forward in the investigation of this exciting endeavor.

xc: Sue Edwards, Assistant City Manager
Bert Lumberras, Assistant City Manager
Sara L. Hensley, Director, Parks and Recreation Department

Travis County Commissioners Court

SAMUEL T. BISCOE
County Judge

RON DAVIS
Commissioner, Pct. 1

BRUCE TODD
Commissioner, Pct. 2

GERALD DAUGHERTY
Commissioner, Pct. 3



MARGARET J. GÓMEZ
Commissioner, Pct. 4

Travis County Administration Building, 700 Lavaca St., Commissioners Courtroom, 1st Floor, Austin, Tx 78701

March 3, 2014

**Austin Mayor Lee Leffingwell and City Council Members
Austin City Hall
301 Willie Nelson Boulevard
Austin, TX 78701**

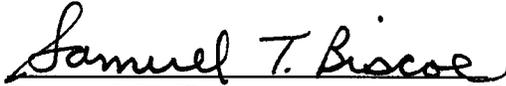
Dear Mayor Leffingwell and City Council Members:

The Travis County Exposition Center and surrounding Walter E. Long Metropolitan Park represent a valuable asset to the Austin region. As a national icon for music, sports, and entertainment, Austin hosts a wide array of events, which continue to grow in size and number. Our diverse community needs and demands continue to change and develop. It is important that our event facilities and our park amenities adjust accordingly. We believe now is a good time to assess opportunities at the Exposition Center and Walter E. Long Metropolitan Park to help determine how to best meet the needs of our citizens and visitors.

We would like to express our strong support for conducting a market and feasibility analysis to identify potential opportunities for events and park amenities. This collaborative study between Travis County, the City of Austin, and Star of Texas Fair and Rodeo would provide us with a unique opportunity to share in the costs and the rewards of a study that will be instrumental in determining the future of the site. By undertaking this study, we can identify how best to bring new life and value to these assets and better serve our constituents and our community.

We propose entering into an inter-local agreement between the City of Austin and Travis County to facilitate this joint planning effort. We look forward to working together on enhancing the future of these community assets.

Sincerely,



**Samuel T. Biscoe
Travis County Judge**



**Ron Davis
Travis County Commissioner
Precinct One**

cc: Austin City Manager Marc A. Ott



MEMORANDUM

TO: Mayor and City Council

FROM: Sara L. Hensley, CPRP, Director
Austin Parks and Recreation

DATE: March 12, 2014

SUBJECT: Inter-local Agreement between Travis County and City of Austin for Walter E. Long Metropolitan Park

The purpose of this memorandum is to inform you of a joint effort between Travis County and the City (PARP) to share cost, not to exceed \$50,000 by the City for a Feasibility Study for Travis County Expo Center and Walter E. Long Park. The purpose of the study would be to examine the existing capacity of the Expo Center including its potential to meet the future growth of the Rodeo and attract other venue opportunities to the center and the park.

Background

In December 1983, the City leased 128 acres of land at Walter E. Long Metropolitan Park to the Austin-Travis County Livestock Show for the purpose of construction and operating a multi-purpose facility for livestock exhibitions, performing arts events and other public activities. The lease was for 50 years and expires in December 2033. The Livestock Show constructed the Texas Heritage and Exhibition Center (Exposition Center) composed of a 320,000 square foot rodeo arena, a 20,000 square foot banquet hall, 210,000 square feet of show barns and parking lots for 4,100 vehicles. The Texas Heritage and Exhibition Center's (Exposition Center's) building program was financed through \$4,500,000 in City revenue bonds, \$2,500,000 in loans and \$4,000,000 in citizen pledges and services.

In May 2010, the Star of Texas Fair and Rodeo issued a market, financial, and economic study for event facilities at the Exposition Center that provided an extensive overview of the Exposition Center, and identified preferred facility characteristics to serve the Star of Texas Fair and Rodeo. Since this study, there have been new developments in the region, including event venues and recreational amenities. These recent and anticipated developments have implications to event facilities and recreational amenities throughout the region and it is important to find the appropriate role for the Exposition Center and adjacent Walter E. Long Metropolitan Park to meet regional demands.

Joint Collaboration Underway

Active collaboration with Travis County, Star of Texas Fair Rodeo and PARD is underway to develop the terms of an Inter-local Agreement for the Feasibility Study, subject to review and approval by the City Council and Travis County Commissioners Court. We anticipate bringing the draft Inter-local forward for Council consideration within the next few weeks. Staff will be moving forward in the near future with an Inter-local Agreement for the City Council consideration to cost share with Travis County for a feasibility study. In addition to funding from the City and County, the Star of Texas Fair and Rodeo has agreed to pay \$25,000 in funding as a key participant in this planning feasibility process.

For more information, please feel free to contact the following staff: Kimberly Springer (512) 974-2924 Kimberly.Springer@austintexas.gov, Ricardo Soliz at (512) 974-9452, Ricardo.Soliz@austintexas.gov, or Leslie Browder, Travis County at (512) 854-8679, Leslie.Browder@co.travis.tx.us.

cc: Marc A. Ott, City Manager
Bert Lumbreras, Assistant City Manager
Cora D. Wright, Assistant Director, Austin Parks and Recreation
Kimberly Springer, Deputy Budget Officer, Budget Office
Ricardo Soliz, Division Manager, Austin Parks and Recreation
Leslie Browder, County Executive, Travis County Planning & Budget Office

**INTERLOCAL AGREEMENT
CITY OF AUSTIN TEXAS AND TRAVIS COUNTY TEXAS
SHARING COSTS OF FEASIBILITY STUDY
FOR TRAVIS COUNTY EXPOSITION CENTER
AND WALTER E. LONG PARK**

This Interlocal Agreement (this "**Agreement**") is made as of the Effective Date (defined below) between the City of Austin, a Texas home-rule city and municipal corporation (the "**City**"), and Travis County, Texas, a political subdivision of the State of Texas (the "**County**"). The City and County are sometimes referred to collectively in this Agreement as the "**Parties**" and individually as a "**Party**."

RECITALS

A. City is the owner of an approximately 1,872 acre tract of parkland locally known as Walter E. Long Metro Park (the "**Park**") upon which the Travis County Exposition Center (the "**Expo Center**") is located, and is operated and maintained by the County.

B. Current home of the Star of Texas Fair and Rodeo and a venue for an array of community events and trade shows, the Expo Center was initially constructed in 1983, to host livestock exhibitions, equestrian shows, rodeos, and other recreational, education, cultural, and historic events.

C. The City and County desire to conduct a feasibility study to determine potential future uses of the Park and Expo Center for recreational uses, but need specialized planning expertise to proceed with such study.

D. Travis County and the City of Austin enter into this agreement for the purpose of sharing costs to study opportunities to improve the Expo Center as well as opportunities to integrate future Park improvements with a multi-purpose event center to better serve the region's demands.

E. This Agreement is an interlocal agreement authorized and governed by Chapter 791 of the Texas Government Code. Each Party represents and warrants that it is carrying out a duly authorized governmental function and the mutual promises exchanged represent good and valuable consideration. Each Party represents and warrants that payments, if any, to be made to the other Party as set forth herein are in amounts that fairly compensate the performing Party for the services or functions and are made from current revenues available to the paying Party.

NOW, THEREFORE, in consideration of the recitals above, the mutual promises made in this Agreement, and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the City and the County hereby agree as follows:

AGREEMENT

1. **Term.** The term (the “*Term*”) of this Agreement shall commence on the Effective Date and shall terminate 24 months later.

2. **Consultant Services.**

A. During the Term, the City will procure and hire a qualified consultant (the “*Consultant*”) to study the relevant factors, including but not limited to those listed on **Exhibit A**, and produce a report of findings to the City and the County (the “*Services*”). The City’s Purchasing Office will be responsible for managing the procurement process and ongoing contract administration. Staff designees from the City and the County will jointly participate in the development of the scope of work, evaluation, and selection of the Consultant, and will provide oversight of the Services performed by the Consultant. The City will be responsible for initiating payments to the Consultant for Services performed, billing the County and other third parties as Consultant invoices are paid, as well as coordinating with the appropriate City and County staff and third parties throughout the project.

B. All Services performed under this Agreement shall be performed in accordance with professional standards, in a competent manner, and in compliance with all applicable laws, County and City policies, and the terms of this Agreement.

C. The Consultant may be available to prepare additional reports and perform related services if mutually agreed upon by the County and the City.

3. **Payment for Consultant Services**

The Parties agree that the City and the County will each be responsible for up to one-half of the Consultant’s fee for the Services, provided each Party’s share does not exceed an amount of \$50,000, after deducting \$25,000 in funding pledged by the Star of Texas Fair and Rodeo to help pay for the Consultant Services. Payments for Consultant Services will first utilize funds from the Star of Texas Fair and Rodeo until they have been exhausted and thereafter payments will be shared equally between the City and County. All work product produced by the Consultant shall be the joint property of the County, the City, and if the pledged funding is contributed, the Star of Texas Fair and Rodeo.

The County shall pay the City within thirty (30) days of receipt of a complete and correct invoice related to Consultant Services. Invoices shall be sent to:

Travis County
Attention: Director of Facilities Management Department
1010 Lavaca Street, Suite 400
Austin, Texas 78701

4. **Miscellaneous.**

A. **Severability.** If any section, subsection, sentence, clause, or phrase of this Agreement is for any reason held to be unconstitutional, void, or invalid, the validity of the remaining portions of the Agreement shall not be affected thereby. It is the intent of the parties signing this Agreement that no portion of it, or provision or regulation contained in it shall become inoperative or fail by reason of unconstitutionality of invalidity of any other section, subsection, sentence, clause, phrase, provision, or regulation of this Agreement.

B. **Law and Venue.** This Agreement shall be governed by the laws of the State of Texas. The obligations under this Agreement are performable in Travis County, Texas. It is expressly understood that any lawsuit or litigation arising out of or relating to this Agreement will take place in Travis County, Texas.

C. **Alteration, Amendment, or Modification.** This Agreement may not be altered, amended, or modified except in writing, approved by the County Judge and the City Manager of the City of Austin, or their respective authorized designee.

D. **Entire Agreement.** This Agreement constitutes the entire agreement between the City and the County. No other agreement, statement or promise relating to the subject matter of this Agreement which is not contained in this Agreement is valid or binding.

E. **Notice.** Notices to either party shall be in writing, and may be either hand delivered or sent by certified or registered mail, postage paid, return receipt requested unless otherwise provided in this Agreement. If sent to the parties at the addresses designated herein, notice shall be deemed effective upon receipt in the case of hand deliver and three days after deposit in the U.S. Mail in case of mailing. The address of the City shall be:

City of Austin
Attention: Chief Financial Officer
P.O. Box 1088
Austin, TX 78767-1088

The address of the County shall be:
Travis County
Attention: County Executive, Planning and Budget
700 Lavaca Street, Suite 1560
Austin, Texas 78701

With additional copies to:
Attention: Purchasing Agent
700 Lavaca Street, 8th floor
Austin, Texas 78701

F. Incorporation of Recitals. The recitals that appear at the beginning of this Agreement are hereby incorporated into this Agreement by reference.

G. Assignment. Any assignment of this Agreement by a Party requires the prior written consent of the other Party.

This Agreement has been executed to be effective as of the latest date appearing below the signatures of the Parties (the "*Effective Date*").

APPROVED AS TO FORM:

CITY OF AUSTIN

By: _____
Assistant City Attorney

By: _____
Bert Lumbreras, Assistant City Manager

Date: _____

TRAVIS COUNTY

By: _____
Assistant County Attorney

By: _____
Samuel T. Biscoe, County Judge

Date: _____

EXHIBIT A

Travis County Exposition Center Market and Feasibility Analysis

Background and Objectives

The Travis County Exposition Center (Exposition Center) is a county-owned, multi-purpose facility consisting of four primary structures on approximately 128 acres of parkland. A 50-year lease agreement between Travis County and the City of Austin for the use of the parkland at Walter E. Long Metropolitan Park expires in December 2033. Initially constructed in 1983, the Exposition Center was built to host livestock exhibitions, equestrian shows, rodeos, and other recreational, education, cultural, and historic events. The Exposition Center is the current home of the Star of Texas Fair and Rodeo and a venue for an array of community events and trade shows.

In 2010, the Star of Texas Fair and Rodeo undertook a market, financial, and economic study related to event facilities at the Exposition Center. The study provided an extensive review of the Exposition Center, and identified preferred facility characteristics to serve the Star of Texas Fair and Rodeo. Since this study, there have been several new developments in the region, including new venues and potential changes regarding existing venues. Finding the appropriate role for the Exposition Center to meet regional demand and needs is a primary goal.

Travis County and the City of Austin are partnering to identify opportunities to improve the Exposition Center, as well as potential opportunities to integrate future metropolitan park improvements with an arena and multi-purpose event center to better serve the region.

Draft Scope of Work

A. Project Orientation

The consultant will review the history, site plan, conditions, and current utilization of the facilities at the Exposition Center and the adjacent Walter E. Long Metropolitan Park. This should include a comprehensive site overview to provide the context needed to ensure ensuing recommendations are feasible and appropriate.

1. Review Existing Studies, Assessments, and Facility Reports

Travis County and City of Austin staff will provide the studies, assessments, and reports needed to help the consultant gain a complete understanding of the current status of the facilities and operations of the Exposition Center and Walter E. Long Metropolitan Park.

2. Location and Conditions Assessment

The consultant will thoroughly review the site location in the regional and local context regarding access to lodging, dining, transit, and parking. The study should also investigate current regional wayfinding to the facility and make recommendations for improvements. Additionally, the consultant will review the City of Austin's "Imagine Austin" Comprehensive Plan to help shape recommendations.

2.2 Existing Environmental Limitations

The consultant should ensure facility recommendations are consistent with environmental conditions and limitations of the site, such as wetlands, protected species, preserves, setbacks, parkland, and soil conditions.

3. Site Visits

The consultant will tour the site and facilities, as well as other arenas and event centers in the Austin area, as necessary.

4. Stakeholder Meetings and Outreach

The consultant will host interviews with current stakeholders, in particular current users of the Exposition Center and the Walter E. Long Metropolitan Park and the surrounding neighborhoods. A minimum of two public meetings should be scheduled to provide public input and encourage community participation in identifying issues, challenges, and opportunities at the site. A strong on-line presence, including the use of surveys, should be established to provide additional public feedback and suggestions.

5. Additional Fieldwork as Needed

The consultant shall identify any additional fieldwork that is needed to help ensure that issues, challenges, and opportunities have been identified to help inform the market analysis and financial feasibility assessment, as described in the following sections of this scope of work.

B. Market Analysis

The consultant will provide a thorough assessment of relevant market conditions and marketability of the Exposition Center, including the adjacent Walter E. Long Metropolitan Park.

1. Industry Trends Analysis

Profile the meetings, conventions, concerts, and expositions industry and discuss changes and trends affecting existing and proposed event centers. Consultant will provide industry definitions, trends, and analysis at local and national scales.

2. Demographic and Economic Analysis

Provide a regional socio-economic analysis and forecast that in part will determine the market demand for an improved arena, multi-purpose event center and park amenities, including attributes of the population and business and employment trends.

3. Competitive/Comparable Facilities Analysis

There are numerous event facilities in the Central Texas region and new centers currently planned. A complete analysis is needed that reflects convention centers, exhibition centers, arenas, trade shows, assembly events, consumer shows, recreations centers, etc. in the Central Texas region, and how those facilities could affect the competitiveness of expanded venue(s) at the Exposition Center or amenities at the Water E. Long Metropolitan Park. The assessment should include all current and planned facilities, including their conditions, capacities, and utilization rates. A thorough analysis of the impact of planned changes at existing event centers is also needed.

4. Market Gap Analysis

The consultant will provide an assessment of business currently not captured in the Austin/Travis County region due to inadequacy of current facilities. The consultant should identify optimal facility characteristics to best serve unmet regional demand and needs.

5. Market Demand Analysis/Marketability Assessment

Synthesizing the results from the above analysis, the consultant will provide a market demand analysis to identify opportunities for the site based on current and future projected conditions, including park amenities. A twenty-year projection should be provided based on anticipated changes in the number and types of events, as well as changes in regional venue(s) that are currently emerging or under consideration. These projections should also include the appropriate sensitivity analyses to depict challenges that might occur with swings in the economy or other relevant factors identified by the consultant.

C. Facility Recommendations

Based on work performed in project orientation and market analysis tasks, the consultant will provide detailed recommendations regarding the optimal level of investment in the Exposition Center and Walter E. Long Metropolitan Park, including the type and size of facility improvements or park amenities to meet utilization potential. The recommendations should detail the number, size, quality, and type of spaces to be provided, both new and/or renovated. Required support facilities, amenities, technology, and ancillary uses should be identified. Phasing options should be provided that are informed by expected future demand. The consultant will also consider new and/or renovated recreational amenities located on the adjacent parkland to support a multi-purpose event center, such as complimentary activities like camping, RV park facilities, and/or amphitheater.

D. Financial Feasibility Assessment

A complete financial feasibility assessment should be provided after considering the consultant's Facility Recommendations.

1. Operating Analysis

The consultant will provide estimates for each year over a 20-year period of both operating revenues and expenditures. The consultant will also prepare a net income statement by year over a 20-year period that incorporates the operating revenues and expenditures. The projections should be broken down to list the various categories of operating revenue and expenditures that would be relevant to future venue(s) possibilities.

2. Capital Construction Analysis

Estimates of hard and soft construction costs to renovate or enhance/expand the Exposition Center or amenities at the Walter E. Long Metropolitan Park as described in the Facility Recommendations should be provided. Where appropriate, the costs of optional alternatives should be included.

3. Financing Options

Funding options and strategies should be analyzed to determine the feasibility of financing improvements identified in the Facility Recommendations. Targeted funding recommendations should be provided that consider the full array of potential financing tools available to cities and counties under Texas law, including feasible ways to leverage private investment. Sponsorship and partnership opportunities should be identified. After discussions with the City and the County about the viability of available financing tools, the consultant will develop projections of potential revenue

streams associated with the most promising tools, which might be considered in the future to fund operating and/or capital expenditures.

4. Economic Impact Analysis

The consultant will provide an analysis of the economic impact of recommended investments, including impacts to the travel and tourism industry and any direct or multiplier effects to the City and County. The analysis should also incorporate the costs associated with recommended facilities investments in order to determine the net benefit to the City and County.

5. Risk Analysis

An analysis should be incorporated to identify any risks associated with potential capital investments dependent on contracts with third parties.

The City's Purchasing Office will be responsible for procuring these services. The following sections will be developed as part of the procurement process, in collaboration with County staff.

1. Submittal Requirements

This section will include the format of the submittal.

2. Evaluation and Selection Process

This section will include grading criteria and the process for consultant selection.

3. Timeline

This section will indicate the estimated timeline necessary to award the contract and its completion.