

Memorandum



CITY OF DALLAS

DATE July 24, 2020

TO Honorable Mayor and Members of the City Council

SUBJECT **VisitDallas Renewal Contract – Follow up to May 29th Memorandum**

On Wednesday, May 20, 2020, Convention and Events Services (CES) staff and VisitDallas leadership briefed the Dallas City Council regarding the recommended terms and related hotel occupancy tax (HOT) ordinance amendments that formed the basis for the approved VisitDallas five-year contract renewal. On Friday, May 29th, a memorandum was sent to City Council addressing council members' requests for additional information regarding:

- Breakdown of Regional Membership and Revenue
- Listings of Visit Dallas Board, Leadership Council and Cultural Committee Members
- CES HOT Revenue Distribution
- Allowable uses of HOT

During the June 10th City Council meeting wherein the contract renewal was approved, council members were advised that a follow-up memorandum would be provided to address items pending VisitDallas Executive Board discussion and final approval. The VisitDallas executive committee met on June 15th to discuss those items, and on June 18th the VisitDallas Board approved the following:

1. VisitDallas Executive Board Governance Changes

The VisitDallas Board will amend its current by-laws to align with the City of Dallas Mayor's appointment of the following members to the VisitDallas Board of Directors:

- Chair-Elect from a choice of three suggested candidates provided by VisitDallas
- One "at large" member selected at the Mayor's discretion
- One board member from the Dallas City Council
- Two additional board members from a choice of three candidates provided by VisitDallas

2. Increase the Proposed Membership Rate for Non-Dallas Hotels and Partners

Beginning October 1, 2020 there will be a clearer distinction between Dallas and non-Dallas hotel partners, with membership dues designated as follows:

- Dallas Hotel Partners will not experience an increase in member dues
- Non-Dallas Hotel Partners dues will increase year-over-year for the next 3 years to reach a total goal increase of 95%

| Non-Dallas Hotel Partners Membership Dues | | |
|---|---------------------|------------------------|
| | Rate per Hotel Room | Total Running Increase |
| Current | \$12.75 | - |
| Year 1 | \$16.00 | 25% |
| Year 2 | \$20.00 | 56% |
| Year 3 | \$25.00 | 95% |

Non-hotel Dallas members will also see a 50% increase in dues:

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| Non-Dallas Partner Member Dues | | |
|---------------------------------------|---------------------|--------------------------|
| | Current Dues | FY2021 and beyond |
| Strategic Membership Level | \$650 | \$975 |
| Invested Membership Level | \$1,000 | \$1,500 |

3. Evaluation of Non-Dallas Advertisement on the VisitDallas Website

VisitDallas website advertising is currently handled by a third party. The site has been reviewed and, effective August 1st, there be no future sales of website banners to non-Dallas partners. However, VisitDallas does have existing contracts with some non-Dallas partners to run banner advertising. Those existing contracts will run through their expiration date.

Additionally, beginning in 2021, VisitDallas will launch the Restaurant Membership Model to allow for a leveling of the playing field for VisitDallas website presence, as well as limited member benefits for new members. Exceptions will be made for those with private dining space.

- Dallas restaurants with private dining space will see no increase and continue to pay \$650
- Dallas restaurants without private dining space will pay \$350 for an Enhanced Listing which will include up to five images, social media links and enhanced listing description.
- Free basic listings will be offered to all Dallas restaurants and include up to three images and listing description.

| | Dallas Restaurant | Non-Dallas Restaurant |
|--|--------------------------|------------------------------|
| Restaurant with Private Dining Space | \$650 | \$975 |
| Restaurant without Private Dining Space | \$350 | \$525 |

CES is currently preparing the Renewal Contract for signature with the City Attorney’s Office and has incorporated the items outlined in this memorandum.

If you have additional questions, or require further information, please me contact me or Rosa Fleming, Director of CES.



Joey Zapata
 Assistant City Manager

- c: T.C Broadnax, City Manager
 Chris Caso, City Attorney
 Mark Swann, City Auditor
 Bilierae Johnson, City Secretary
 Preston Robinson, Administrative Judge
 Kimberly Bizer Tolbert, Chief of Staff to the City Manager
 Majed A. Al-Ghafry, Assistant City Manager
- Jon Fortune, Assistant City Manager
 Nadia Chandler Hardy, Assistant City Manager
 Dr. Eric A. Johnson, Chief of Economic Development and Neighborhood Services
 M. Elizabeth Reich, Chief Financial Officer
 Laila Alequresh, Chief Innovation Officer
 M. Elizabeth (Liz) Cedillo-Pereira, Chief of Equity and Inclusion
 Directors and Assistant Directors