



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: City Manager's Office
CM: Sara Hensley, City Manager
DATE: July 16, 2024

SUBJECT

Receive a report and hold a discussion on the three potential organizational structure options for the growing City of Denton Convention and Visitors Bureau

BACKGROUND

In 2024, Hotel representation requested the City evaluate the three primary organizational structures used for Convention and Visitor Bureaus (CVB). Increased hotel stays along with the creation of the Tourism Public Improvement District will significantly increase the CVB's budget and the City, Chamber, and the Hotel representatives want to best position the City's tourism efforts to accommodate anticipated future growth. Currently, Discover Denton operates as a business line of the Chamber and is primarily funded by the City of Denton's hotel occupancy taxes (HOT), receiving nearly half of the City's annual HOT allocation, approximately \$1.6 million.

The presentation will cover the three primary structures, and trends in the United States and Texas, along with the advantages and considerations of each potential model.

ESTIMATED SCHEDULE OF PROJECT

July- August 2024 - City Council Work Sessions on the FY 24-25 Budget including HOT Funds
October 2024 – Contract Execution between the City and CVB
January 2025 – HOT Funds Distribution

FISCAL INFORMATION

The Convention and Visitors Bureau is funded annually through Hotel Occupancy Tax Funds. The City's Hotel Occupancy Tax, which is levied at 7% of room rental rates. Each October the City Council enters into contracts with various organizations including the CVB that will promote tourism and the convention and hotel industry in Denton. The fund balance is restricted to promotion of tourism and the convention and hotel industry under state law.

EXHIBITS

1. Agenda Information Sheet
2. Presentation

Respectfully submitted:
Christine Taylor
Assistant City Manager