



City of Denton

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

AGENDA INFORMATION SHEET

DEPARTMENT: Finance

DCM: Bryan Langley

DATE: October 17, 2017

SUBJECT

Receive a report and hold a discussion regarding the Discover Denton Welcome Center.

BACKGROUND

This item is being provided in response to a request from the Hotel Occupancy Tax (HOT) Committee. The HOT Committee requested that an update on the Discover Denton Welcome Center (Welcome Center) be provided to the City Council. City staff coordinated with the Denton Convention & Visitor's Bureau (CVB) to provide the requested update.

On June 21, 2016, the Welcome Center was officially opened to the public. Total build out/finish out costs were \$285,304 which reflects \$1,304 more than was requested from hotel occupancy taxes (\$284,000) in Program Year 2015. Beginning with Program Year 2015 and continuing through the recently approved Program Year 2018, the City will have contributed \$890,000 in hotel occupancy taxes to the Welcome Center. In addition to hotel occupancy taxes, the Welcome Center has been able to generate other revenues that help pay for its operating expenses. Operating expenses include costs for staff, lease, equipment & supplies, merchandise and payouts for consignments.

Since its opening (June through September 30, 2017), a total 95,410 people have visited the Welcome Center and obtaining an estimated 28,000 pieces of physical visitor information (i.e., brochures, flyers, etc.). The estimated percentage of visitor versus local customers is 40/60, respectively. Visitor traffic flow analysis shows that Thursday-Sunday are the busiest days in the Welcome Center with Saturday consistently being highest. Visitor traffic is also consistently highest in the afternoons and early evenings on weekdays and weekends.

DentonRadio.com serves as an attraction drawing people into the Welcome Center. Additionally, the promotional value of the online station is perceived as a primary benefit for sponsors and advertisers. Listenership and social viewership for DentonRadio.com has increased about 1,500% since the Welcome Center opened.

The Discover Denton Welcome Center serves to facilitate a complete Denton experience for visitors and local customers alike. Besides this crucial role, the Welcome Center also impacts the Denton community in several significant ways: consignment commissions to local small businesses and local makers/artists; employment/internships for university students; unrestricted public restrooms; and Denton-centric events for university regents and ambassadors, writers, journalists, and event delegates.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

On August 22, 2017, the HOT Committee approved Program Year 2018 funding levels for recipient organizations, including \$206,000 for the Welcome Center. At this meeting, Committee Members requested that an update on the Welcome Center be presented to the City Council in a work session.

STRATEGIC PLAN RELATIONSHIP

The City of Denton's Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council agenda item contributes most directly to the following KFA and goal:

Related Key Focus Area: Organizational Excellence

Related Goal: 1.1 Manage financial resources in a responsible manner

EXHIBITS

1. Agenda Information Sheet
2. PowerPoint Presentation

Respectfully submitted:
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