



CITY OF DUNWOODY

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MEMORANDUM

To: Honorable Mayor and City Council

From: Warren Hutmacher, City Manager

Date: June 15, 2009

Subject: DeKalb County CVB Contract Modification Discussion

The City Council approved a contract with the DeKalb County CVB on March 23, 2009 to provide the CVB with the 2% portion of the Hotel Motel Tax collected in the City of Dunwoody in exchange for the provision of tourism related services to the City.

The contract was executed in June, 2009 and the City communicated to the CVB, pursuant to specific language in the contract that the first payment to the CVB would be made in July, 2009 (date of execution of the contract) to include funds collected by the City in June, 2009 and would continue to do so monthly until the contract is terminated or expires.

The CVB has requested a modification to the contract that would require the City to send the CVB funds backdated to April 1, 2009. It is the contention of the CVB that this was the intent of the parties when the agreement was drafted.

The necessary modification language is attached below.

IV.

The City agrees that it will pay to Corporation the amount of the Excess Tax collected by it during 2009 for each month starting April 1, 2009 ~~month that includes the date of execution~~ until month that includes the date of termination, less an administrative fee equal to 3% of such amount that is to be retained by the City. Corporation will be paid the amount of Excess Tax collected by the City during a calendar month within fifteen (15) calendar days following the end of that month (Example: Hotels remit taxes to City due for April on or before May 30 and the City will actual remit the 2% portion to the Corporation on or before June 15). Any penalties assessed against hotels-motels for late payment of the Tax or any other reason will be retained by the City,