



## **CITY OF DUNWOODY**

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# **MEMORANDUM**

**To:** Honorable Mayor and City Council

**From:** Warren Hutmacher, City Manager

**Date:** September 14<sup>th</sup>, 2009

**Subject:** DeKalb County Convention and Visitors Bureau Contract

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Earlier this year, the City executed an intergovernmental contract with the DeKalb County Convention and Visitors Bureau (DeKalb CVB) for tourism promotion services. The City has paid the DeKalb CVB an amount equal to the 2% bucket of the Hotel Motel Tax the city collects from all five of our hotels in exchange for the provision of tourism promotion services. The contract is set to expire in December 2009. The contract is automatically renewed at the end of the year unless either party terminates the agreement with 90 days notice.

In August 2009, the City established a Convention and Visitors Bureau of Dunwoody (CVBD). The City intends to pay the CVBD an amount equal to the 2% bucket of the Hotel Motel Tax the city collects from the hotels on a contract basis once the contract with the DeKalb CVB has been terminated.

I have met with the CVB of Dunwoody and they have concerns regarding the timing of the termination of the contract between the City and the DeKalb CVB. The DeKalb CVB provides valuable sales leads to the hotels in Dunwoody. If the contract between the City and the DeKalb CVB is terminated prior to the CVB of Dunwoody being capable of attracting these sales leads, the hotels will suffer financially. The CVB of Dunwoody is quickly organizing their structure and has begun the process of hiring their Executive Director. I expect that they will be operating at near full capacity in the first quarter of FY 2010.

In an effort to ensure the financial viability of our hotels and at the same time rapidly transfer tourism related service provision from the DeKalb CVB to the CVB of Dunwoody, I recommend the following:

“Authorize the City Manager or Mayor to terminate the contract between the City of Dunwoody and the DeKalb CVB at the explicit direction of the CVB of Dunwoody Board of Directors”