

Memorandum



DATE May 30, 2025

CITY OF DALLAS

Honorable Members of the City Council Economic Development Committee: Tennell
TO Atkins (Chair), Omar Narvaez (Vice Chair), Carolyn King Arnold, Adam Bazaldua, Paul
Ridley, Kathy Stewart, Chad West

SUBJECT **Dallas Convention & Visitors Bureau (Visit Dallas) Renewal Contract**

On June 25, 2025, the Convention and Event Services (CES) Department will seek City Council approval to exercise its final three-year renewal option with the Dallas Convention and Visitors Bureau (dba Visit Dallas) for the period of October 1, 2025, to September 30, 2028.

The three-year option is the last renewal option provided for under the existing *Contract with the Dallas Convention & Visitors Bureau (dba VisitDallas) for Convention and Public Event Facility Promotion, Advertising and Tourism Development Services* approved by Council Resolution (CR) No. 20-0938 on June 10, 2020, as a five-year renewal option ending September 30, 2025.

The three-year renewal option, in accordance with the Dallas City Code Section 44-35, as amended on March 26, 2025, by CR No. 25-0444, will call for an amended disposition of Hotel Occupancy Tax (HOT) revenues to Visit Dallas of 17.6%. Additionally, staff recommends that:

- given the reduction in HOT, the City of Dallas eliminates Section 3(A) of the existing contract, which requires the retaining of three percent (3%) of the monthly Visit Dallas HOT payment to ensure compliance with outlined performance goals, and instead, provide for a mid-year and end-of-year compliance review that, if Visit Dallas does not meet its submitted goals, would result in the holding of three percent (3%) of the monthly Visit Dallas HOT payment until compliance is met;
- the contract, as amended, would provide additional dedicated funds to support enhanced marketing efforts for the expanded convention center, with Visit Dallas required to submit an annual marketing plan that supports such activities as required to ensure the successful opening of the center;
- the contract, as amended, offers an additional proforma based incentive allocation from HOT revenues when Visit Dallas exceeds the room night goals as approved by the Board of Directors and accepted by the City of Dallas, provided such room night goal enhancement results in the City of Dallas exceeding its annually forecasted HOT revenue;
- allow the city to formally authorize Visit Dallas to manage ad hoc projects such as Deck the Plaza and other plaza and city-owned venue activations as requested by the City Manager and/or City Council, with a 10% service fee to cover administrative costs;

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- given that, unlike larger city contractors, Visit Dallas has minimal controllable spend, relies on single-source vendors, and often works with small and local businesses who lack certifications, that the organization focus on events that have an inclusive impact, hospitality job creation in minority communities, and community engagement, with small and local spending goals tied to actual opportunities rather than the existing BID policy;
- the contract, as amended, adds an additional two-year renewal option to be exercised in 2028 to accommodate consistency in the opening of the expanded center and one additional post-opening performance year, with the opportunity for amended performance metrics related to the newly opened convention center;
- the contract, as amended, will include additional language as recommended by the City Attorney's Office to strengthen protections for the City; and
- the contract, as amended, maintains all reporting requirements and stipulations required of Visit Dallas, until such time as the additional two-year renewal option is exercised.

Should there be additional questions or further information required after reviewing the above proposed terms, please contact Rosa Fleming, Director of Convention and Event Services, at 972.922.7136 or by email at rosa.fleming@dallas.gov.

Service First, Now!



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Assistant City Manager

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