



Convention & Visitors Bureau

2017-18 Proposed Budget
Funding Requests and Justifications

City Council Work Session
August 17, 2017

Convention & Visitors Bureau



Hotel Occupancy Tax Expenditures

- Regulated by Chapter 351 of the Texas Tax Code
- Two Part Test to Use HOT Funds
 - Criteria #1 – Every expenditure must directly enhance and promote tourism and the convention and hotel industry
 - Criteria #2 – Spending must fall into one of the nine categories below:
 - Convention Centers/Visitors Information Centers, Convention Registration, Arts, Historical, Advertising, Transportation for tourist, Signage directing visitors, Sporting events & facilities (additional criteria for sporting events & facilities)
 - Additional Criteria for Garland
 - A city with a population of 200,000 or greater is required to spend at least 50% of the Hotel Occupancy Tax collected by the City on advertising and conducting solicitations and promotional programs to attract tourists to the city.

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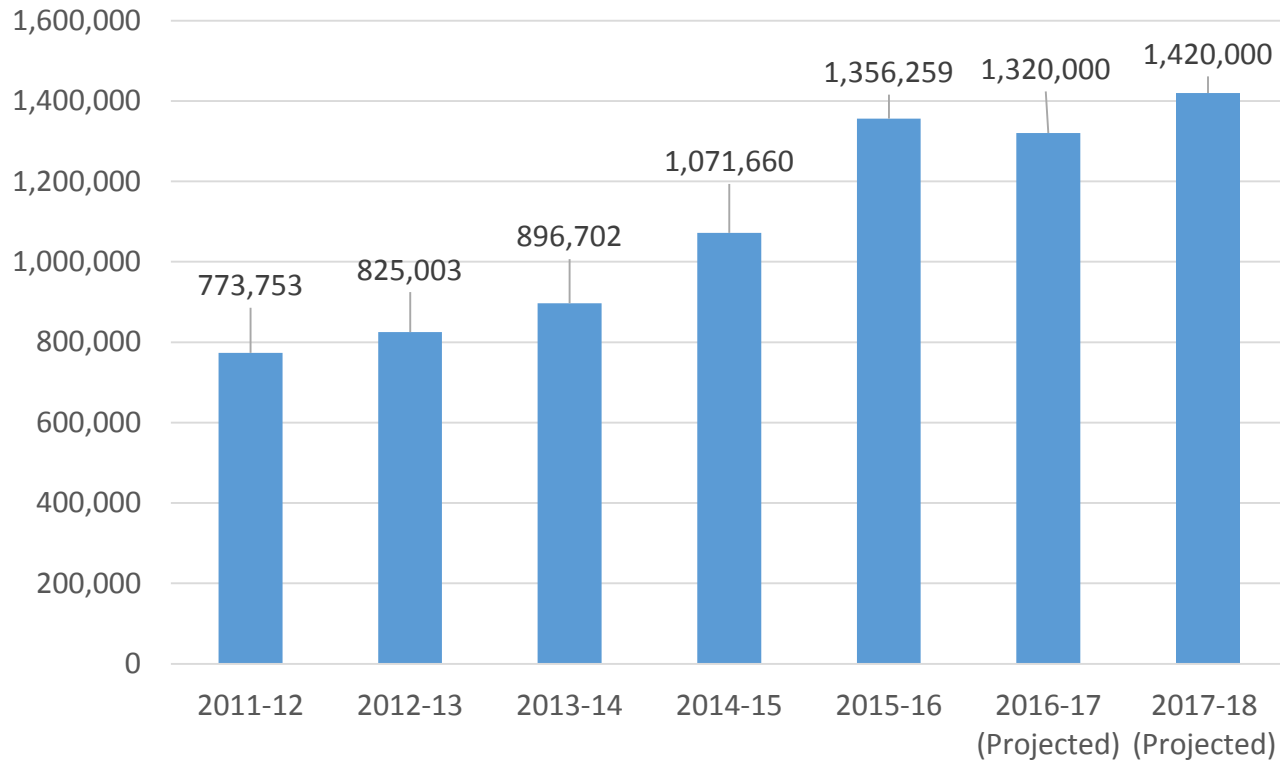
Hotel Occupancy Tax – Who Pays?

- 7% tax of the price paid for the use of a hotel room.
- Tax is paid by visitors and guests staying in Garland hotels.

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Hotel Occupancy Tax Collections



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Hotel Occupancy Tax Funding Total Request

\$1,733,235

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Item	Cost
Hyatt Place Hotel	\$300,000
Holiday Inn Express	120,000*
Economic Development Incentives	\$420,000

* Rebate capped per agreement.

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Non-CVB Hotel Occupancy Tax Funding Request

Garland Cultural Arts*	\$135,394	Parks
Image Management	175,000	OSI
Heritage Activities**	300,000	OSI
Wayfinding Signage	25,000	Transportation

* Arts and Historical up to 15% by Chapter 351 of TX Tax Code.

** Lyles House stabilization budget is \$75,000.

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Hotel Visitor Shuttle Program

\$137,451

- Transportation for guests from hotels to Downtown Garland

- Recurring Costs

\$ 37,451

- Salary (PT), Fleet Charges, Fuel & Lubricants, and Replacement Cost (funded from HOT)

- One-Time Costs

100,000

- Vehicle and Equipment Costs (funded from HOT)

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- Shuttle program between hotels and Downtown Garland
- Provide service to hotel guest
- Promote Downtown Garland businesses
- Work with hotels to market the shuttle to guests
- Work with hotels to identify high occupancy dates
- Operate Thursday, Friday, and Saturday

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CVB Reorganization Recommendations:

- Increase and Enhance Special Events (i.e. Garland Multi-cultural Folklife Festival).
- Shift staff resources to event management and marketing.
- Local Special Event promotion and funding to encourage visitors to Garland.

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CVB Department Reduction in Operations

Category	FY 2016-17 Budget	FY 2017-18 Budget
Marketing Expense	\$114,776	\$53,613
Promotional Expense	70,450	27,900
Printing Costs	27,000	9,000
Dues & Memberships	5,105	2,770

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Budget Increases in Operations & Transfers

	FY 2016-17 Budget	FY 2017-18 Budget
Image Management	\$175,000	\$175,000
Garland Cultural Arts	115,898	135,394
Heritage Activities (Lyles House)	-	300,000
Wayfinding Signage	-	25,000

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Questions?