



Destination Management, Inc

June 3, 2015

Casey Toomay, Assistant City Manager
City of Lawrence
PO Box 708
Lawrence, Kansas 66044

Dear Casey,

In 2014, the Transient Guest Tax collections for Lawrence were \$1.429 million. This is an increase from the 2013 totals of \$1.21 million. The 2015 collections are up 23% from the same point in time in 2014. The CVB staff is confident the TGT collections will remain robust for the remainder of 2015 and we are encouraged by the internal and external efforts of our local tourism ambassadors to further promote Lawrence as a destination for travelers.

In 2014 and 2015, the Convention and Visitor's Bureau staff utilized their funding to complete a number of projects that are designed to refresh and structure the organization for growth. This includes a new campaign to promote Lawrence called "Unmistakably Lawrence," a name change for the organization (now called eXplore Lawrence), a complete rebuild of the website and the investment in a customer relations management tool which will allow the staff to track meeting sales, industry partner management, consumer marketing, forecasting, business analysis and overall reporting.

In 2015, I was named as Interim Director of DMI and there is a conversation underway in the community to consider structural reorganization of the Convention and Visitors Bureau. However, for the purposes of the 2016 budget discussions, I respectfully request that city's budget allocation for DMI remain at \$860,000.

The CVB Advisory Board would also like for the city to consider additional program improvements for the purposes of promoting convention and tourism activities in Lawrence.

#1 – The creation of a Transient Guest Tax Grant program at \$100,000 (funded through TGT revenues). The CVB Advisory Board could act as the reviewing agent for this program and provide recommendations to the City Commission for this grant program and this would allow for an allocation of funds in the budget process instead of random requests throughout the year.

#2 – Additional program support of convention and tourism activities including additional sales staff and marketing efforts would assist the CVB with our overall goals to promote tourism, increase signature events, and increase sales for corporate, convention and conference travelers. A conservative estimate for program support for sales & marketing would be \$80,000 in additional support.



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DMI, through a contract agreement, manages the transient guest tax revenue allocated by the city. The DMI Board has representation from the city, Douglas County, the CVB, and Freedom's Frontier National Heritage Area Board of Directors. The CVB budget is guided by a 13-member Advisory Board appointed by the Mayor. DMI also has agreements for management with Freedom's Frontier National Heritage Area (funded by the federal government through the Department of Interior and National Parks Service) as well as the Douglas County Commission to manage county money budgeted for five heritage agencies.

As always, DMI and the CVB staff makes every effort to responsibly manage tax dollars. The staff is continually looking for ways to create innovative partnerships with the community to leverage tax dollars to provide an atmosphere that encourages tourism and additional sales revenue for our hotel partners.

The CVB staff estimated that 1.021 million people visited Lawrence as day trippers and overnight guests in 2014. Direct spending by visitors to Lawrence in 2014 was conservatively calculated at \$96.7 million. To maintain a competitive position to attract visitor spending, we will continue to pursue new regional markets and collaborative partnerships that deliver sustainable benefits to community stakeholders while *exceeding* expectations in visitor experiences and services.

Sincerely,

A handwritten signature in blue ink that reads "Megan Gilliland". The signature is written in a cursive, flowing style.

Megan Gilliland
Interim Director, Destination Management, Inc.