

CITY OF GONZALES

Hotel Occupancy Tax Fund

Gonzales Convention & Visitor Bureau Grant Application Packet & Post Event Report Form



Name of the organization requesting funds:

CITY OF GONZALES HOTEL OCCUPANCY TAX FUNDING

Texas Tax Code Chapter 351 allows the City of Gonzales to collect Hotel Occupancy Tax (HOT) from hotels, motels and short term rentals. Under state law, the revenue from the HOT may be used only to directly promote tourism and the convention and hotel industry. The use of HOT funds is limited to:

- a) Convention Centers and Visitors Information Centers: the acquisition of sites for and the construction, improvements, enlarging, equipping, repairing operation and maintenance of convention center facilities or visitor information centers, or both;
- b) **Registration of Convention Delegates:** the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants;
- c) Advertising, Solicitations and Promotions that Directly Promote Tourism and the Hotel and Convention Industry: advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity;
- d) Promotions of the Arts and Directly Promote Tourism and the Hotel and Convention Industry: the encouragement, promotion, improvement, and application of the arts that can be shown to have some direct impact on tourism and the hotel/convention industry. The impact may be that the are facility or event can show hotel nights that are booked due to their events or those guests at hotel attend the arts event. Eligible forms of art include instrumental and vocal music, dance drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture, photography, graphic and craft arts, motion picture, radio, television, tape and sound recording, and other arts related the presentation, performance, execution and exhibition of these major art forms;
- e) Historical Restoration and Preservation Activities that Directly Promote Tourism and the Hotel and Convention Industry: historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums;
- f) Sporting Events Expenses that Substantially Increase Economic Activity at Hotels: Sporting related expenses if the majority of the participants are tourists. The event must substantially increase economic activity at hotels within the City or its vicinity.

g) Funding transportation systems for transporting tourists from hotels to and near the City to and of the following destinations:

- a. the commercial center of the City;
- b. a convention center in the City;
- c. other hotels in or near the City; or
- d. tourist attractions in or near the City.

The law specifically prohibits the use of the local hotel tax to cover the costs for general city transit costs to transport the general public;

h) Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality.

The City of Gonzales accepts applications from groups and businesses meeting one or more of the above criteria and wishing to receive HOT funds. All entities that are approved for such funds must submit a POST Event Report Form within 60 days of each funded event. The report will be reviewed by the Gonzales CVB to determine how well the entity met its goals and be used in consideration of future hotel occupancy tax funding requests. Priority will be given to those events that demonstrate an ability to generate overnight visitors to the City of Gonzales. If an event will not generate any meaningful overnight business to the City of Gonzales' hotels, it is not eligible of hotel occupancy tax funds.

Overview of the Application Process

This packet was designed to establish guidelines to apply universally to all entities requesting funds from the City of Gonzales in regard to financial support from the City Hotel Occupancy Tax (HOT) Fund. There are stringent requirements in the Tax Code regulating the use of HOT funds. A copy of the applicable sections of the Tax Code has been included in this packet for your review.

The Gonzales Convention and Visitors Bureau will review the completed application and make recommendations to the City of Gonzales' City Council regarding approval or denial of the request and give additional comments as to the size of the financial funding request based on estimated economic impact relevant to the request, as well as taking into consideration the need for local community economic impact relevant to the community calendar. The City will work with the applicant to ensure that all necessary documentation is included when presenting to the Gonzales Convention and Visitors Bureau. The City if Gonzales' City Council will make the final decision on funding the event for any amount exceeding \$5,000.00. HOT funds are always distributed as reimbursements, failure to submit accurate and complete documentation will delay or jeopardize the reimbursement of funding.

HOT Fund - Gonzales CVB Application

Rules Governing Your Application

- 1. The applicant <u>must present</u> reasonable evidence that the event will directly impact the hotel/convention business and promote tourism in the City of Gonzales (i.e., increase overnight visitors).
- 2. For any applicant applying for HOT funds to advertise an event, the City requires these funds focus on targeting visitors outside a **50 mile radius** of the City of Gonzales. Applicants <u>must also attach</u> a copy of their marketing plan for advertising including (1) vehicle for advertising; what medium (magazine, newspapers, radio, other paid advertising, etc.); (2) rate card/sheet for said vehicle (3) expected run date or issue.
- 3. After the application process is complete, the applicant will be expected to present an overview to the city staff to evaluate application items such as visitors' attendance of the event, hotel selection, overnight stays directly attributed to the event, and a budget summary of revenue and expenses. If initial estimates upon which the event funding was predicated were not met, the City staff will recommend an amended amount of reimbursement to the applicant be funded.
- 4. It is the responsibility of the applicant to monitor the number of out-of-town guests who stay in the City of Gonzales lodging properties in relation to their event. The event organizer is required to work with the local hotels to ensure proper credit and tracking. Please note that stated room nights generated will be subject to an audit by the City of Gonzales staff.

City Policy

The City of Gonzales accepts applications from groups and businesses whose program fits into one or more of the Hotel Occupancy Tax Funding categories. Please note that there are legal requirements and/or limitations on certain categories that may affect the availability of funds under those categories. All requests for funds should be submitted in writing on the official application form 60 days prior to the event/project date and no later than two weeks prior to the Gonzales CVB Meeting which is held on the Third Thursday of the month. The application will be reviewed by the Gonzales CVB at the earliest possible regularly scheduled meeting. The applicant should be present at the meeting to answer any questions regarding the application. Applicants will be notified one week prior to the meeting of the time and place for the review. City Council will have final approval for any application requesting over \$5,000.00. The Gonzales CVB will make a recommendation to the City Council, the City Council will make the final decision on your request. You will be notified when City Council will address your request, applicant attendance is required.

Use of Local Vendor

The Gonzales CVB encourages all event organizers to patronize Gonzales businesses for food, supplies, materials, printing, etc.

HOT Fund - Gonzales CVB Application

Use of Revenues from Events

A portion of the revenues from any event and/or project receiving any type of funding assistance from the HOT funds should be channeled back into the future costs of operating that same event or the continued operation of the project. No other outside event(s), project, charity, etc., sponsored by the hose organization may profit from the City of Gonzales' funding of a particular event.

Funding Allocation Policy

Room Tax Revenue is used to calculate the amount allowed. The applicant will be eligible to receive 50% of the 7% local room tax generated by a group/event up to a maximum of \$5,000.00. Comp rooms are **NOT** eligible for reimbursement.

Example: If the hotel is trying to book business that will generate 125 room nights at a rate of \$119.00 per night the applicant would receive \$520.63 based upon the calculations below:

125 Room Nights x \$119.00 = \$14,875.00

 $14,875.00 \times 7\%$ Local Room Tax = 1,041.25

 $1,041.25 \times 50\%$ Applicant Eligible = 520.63

Instructions For Disbursement of Funds

At the end of the event, the applicant shall submit the required Post Event Report Form to the City of Gonzales within 60 days of the event's ending date. Report of actual room nights booked by the group and actual room nights revenue. If the group generated less room nights than what was originally requested on the application, the disbursement funds may be reduced based on program guidelines.

The City of Gonzales' Finance Department will issue a check upon receipt and processing of completed Post Event Report Form including all required documents.

If the Post Event Report Form is not provided to the City of Gonzales by no later than 60 days after the event's ending date the HOT funds application will be null and void and funds will not be disbursed to the applying entity.

Any misrepresentation or fraudulent claims by an applicant will disqualify them from receiving any funds that were applied for in the past or future.

HOT Fund - Gonzales CVB Application

HOTEL OCCUPANCY TAX APPLICATION

Date application submitted:			
Name of Organization:			
Does this request "directly enhance and promote tourism and (Tax Code, Section 351.101)	the conventi	on and hote	el industry?'
i.e., increases overnight visitors to the City of Gonzales	YES	NO	

This request MUST qualify under AT LEAST ONE of the following categories, circle the number of each category that apply to this request:

- 1. The establishment, improvement, or maintenance of a convention center of visitor information center
- 2. Administrative cost incurred for assisting in the registration of convention delegates or attendees
- 3. Advertising, solicitations, and promotions that attract tourists and convention delegates to the City of Gonzales. Please NOTE: if applying under this category, media must be utilized IN ADVANCE of the event (example include direct mail, postage, newspapers, magazines, radio, television, billboards, newsletters, targeted Facebook Boost, brochures, and other collateral material) with a target audience or reach beyond a 50 mile radius from Gonzales.
- 4. The encouragement, promotion, improvement, and application of the arts. Please NOTE: (examples include instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture, photography, graphic and craft arts, motion pictures, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution and exhibition of these major art forms.)
- 5. The enhancement of historical restoration and preservation projects
- 6. Certain expenses, including promotional expenses, directly related to a sporting event where the majority of the participants are tourists that substantially increase hotel activity
- 7. Signage for tourism related facilities
- 8. Funding transportation systems for tourists

A Post Event Form has been previously submitted? Select N/A if this is your first request for HOT funds.

YES NO N/A

Has it been determined how the organization will track out of town guests, demonstrating that the event will attract tourists that will support the convention and hotel industry?

YES NO

Is the application filled out thoroughly and completely with all required documentation attached?

YES NO

Please note: ALL ITEMS must be completed in its entirety before this application can be submitted. Date application submitted: Event Date: Name of Event/Project: Primary Location of Event/Project: Name of Organization: Organization Address: Contact Name: _____ Contact Phone Number: _____ Email: _____ Website Address of Organization: Status of Organization: Non-Profit Private/For Profit Government Agency Select best description. Tax ID#: Amount of Funds Requested: Purpose of your Organization/Business: _____ How will the funds be used to directly enhance and promote tourism and the hotel and convention industry in the City of Gonzales? List other means of financial support including in-kind support (name and amount to receive): What other outside marketing will be utilized and how will it be effective? Approximate number of people attending/visiting event that will stay overnight in local hotels, motels or short term rentals: Have you reserved a room block for this event at an area hotel and if so, for how many rooms

and at which hotels:

Funding Request Overview				
Amount requested:				
Amount received in past years request for same organization and event:				
Required Attachments:				
Please indicated all documents that are attached with this application.				
Post Event Form from previous year's approved Hot funds request				
Projected budget for the entire event/project				
Itemized, detailed list of expenditures relevant for HOT revenues use				
Advertising/Marketing Plan, including target audience				
List of Board of Directors with contact phone numbers				
Event planning timeline				
Schedule of activities relating to this event/project				
Copy of Tax-Exempt Certificate, if applicable				
Reasonable evidence that this event will directly impact the hotel/convention				
business and promote tourism in the City of Gonzales				

HOT Funds Application Packet Submission

Please return completed application with all necessary attachments and signature to the City of Gonzales, Tiffany Hutchinson-Padilla – no later than 60 days prior to the event/project date, so that it may be reviewed and submitted for Gonzales CVB or Council Consideration.

Submission Options:

HAND DELIVER POSTAL MAIL

Tiffany Hutchinson-Padilla
305 St. Lawrence Street

Tiffany Hutchinson-Padilla
P.O. Box 547

Gonzales, Texas 78629 Gonzales, Texas 78629

FACSIMILE EMAIL

Attn: Tiffany Hutchinson-Padilla <u>tpadilla@Gonzales.Texas.Gov</u>

830-672-2813

For Questions, please contact City of Gonzales, Tiffany Hutchinson-Padilla at (830)672-2815 or by email at tpadilla@Gonzales.Texas.Gov

I have read the HOT Fund Application Process including the Rules Governing the Application and the Required Attachments.

I fully understand the HOT Fund Application Process, Rules Governing the Application and the process established by the City of Gonzales. I intent to use these funds for the aforementioned event/project to forward the efforts of the City of Gonzales in directly enhancing and promoting tourism and he convention and hotel industry by attracting visitors and hotel guests from outside of the City of Gonzales into the City. A tourist is defined as an individual coming from more than 50 miles away from Gonzales.

I understand that if I am awarded funds from the HOT funds, any deviation from the approved project or from the rules governing the application may result in the partial or total withdrawal of the HOT funds disbursement or to refund any and all funds received.

I understand that the following pages are the POST EVENT REPORT FORM and agree to complete and submit said form within 60 days of the ending date of this event.

Organization Name:		
Applicant's Signature	Date	
Applicant's Role in Organization		

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POST EVENT REPORT FORM

Date Post Event Submitted:	
Name of Organization:	
Organization Address:	
Contact Name:	
Contact Phone Number:	Email:
Name of Event/Project:	
Primary Location of Event/Project:	
Amount Received from Hotel Occupancy Tax Fund: _	
Amount Used from Hotel Occupancy Tax Fund:	
Please List In Detail How The Funds Were Used:	
How many years have you held this Event/Project:	
Actual percentage of funded event costs covered by Ho	tel Occupancy Tax:
Actual percentage of facility costs covered by Hotel Oc	ecupancy Tax (if applicable):
Actual percentage of staff costs covered by Hotel Occu	pancy Tax (if applicable):
If staff costs were covered, estimate of actual hours sta	
Did the event charge admission? If so, was there a net profit, what was the amount and how is it being used?	•
How many people did you estimate would attend this e submitted in the HOT fund application):	<u>a</u>
What would you estimate was the actual attendance at	the event?

HOT Fund - Gonzales CVB Post Event Report Form Submit: **POST-EVENT**

How many room nights were generated at Gonzales hotels, motels or short term rentals by attendees of this event/project?					
If this event has been funded by Hotel Occupancy Tax in the last three years, how many room nights were generated at Gonzales hotels, motels, or short term rentals by attendees of this event/project? Last Year: Two Years Ago: Three Years Ago:					
What method did you use to determine the number of people who booked rooms at Gonzales hotels, motels or short term rentals (i.e.; room block usage, etc.)					
Was a room block established for this event at an area hotel(s), and if so, did the room block fill If the room block did not fill, how many rooms were picked up?					
Please indicate all efforts your organization actually used to promote this event and how much was actually spent in each category:					
Newspaper: \$ Radio: \$ Television: \$ Direct Mail: \$					
Press Release: \$ Other: \$ (specify other)					
Did you include a link to the Gonzales Visitor's Center or other source on your promotional handouts and in your website for booking hotel nights during this event?					
Did you negotiate a special rate or hotel/event package to attract overnight stays?					
What new marketing initiatives did you utilize to promote hotel and convention activities for the event?					
Please attach samples of documents showing how the City of Gonzales was recognized in your advertising/promotional campaign.					
Please attach at least one sample of all forms of advertising/promotion used in your campaign. If the sample itself done not indicate the medium (radio, TV, print or mail) use or where the advertising took place (i.e.; City's newspaper, city of radio spot played), please include other information that would show location of the advertising and medium utilized.					
If the event funded but Hotel Occupancy Tax was a sports related function, how many individuals actually participated in this event?					
If the event was a sports related function, how many of the participants were from another city county?					

If the event was s sports related function, quantify how the activities substantially increase economic activity at hotels and motels within the City or its vicinity?		
What Gonzales businesses did you utilize for food, supplies, materials, printing	g, etc.?	

Post Event Report Form Submission

Please return completed report with all necessary attachments to the City of Gonzales, Tiffany Hutchinson-Padilla – no later than 60 days after the event/project date, so that it may be reviewed.

Submission Options:

HAND DELIVER
Tiffany Hutchinson-Padilla
305 St. Lawrence Street
Gonzales, Texas 78629

FACSIMILE Attn: Tiffany Hutchinson-Padilla

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HOT Fund - Gonzales CVB Post Event Report Form

Submit: **POST-EVENT**