

# Hotel Occupancy Tax Reimbursement Grant

## FY2020-2021 Funding Application Schedule Application

**Available:** Tuesday, June 22, 2020

**Application Due Date:** Monday, August 24, 2020 at 4:30 p.m.

**Application Committee Review:** Thursday, September 3, 2020 at 2:00 p.m.

**City Council Final Funding Award:** Tuesday, September 15, 2020 at 6:00 p.m.

### Application rules and guidelines

The City of Sinton accepts applications from organizations whose events/expenditures fit into one or more of the hotel occupancy tax expenditure categories. The Hotel Occupancy Tax Reimbursement Grant is reimbursement only. Funding is selective and is based on the application your organization submits.

1. The application must be completed in its entirety in order for the event/expenditure to be considered for funding. If any portion of the application is not applicable to your request, you must submit in writing with the application why that portion does not apply to your request or your application will not be considered. If it is determined that the portion is required for your request, you will be given one week to turn in the incomplete portion of the application. (*Application begins on page 5.*)
2. The applicant must present reasonable evidence that the event/expenditure will **increase overnight stays** in Sinton and that the increase is **consistent with the level of funding requested**.
3. An expense plan must be provided with your application. For example, if you are requesting funds for marketing, a marketing plan is required to show how your organization intends to spend grant funds. If your organization plans to use funds for rental of equipment for a sporting event, you must provide an expense list for planned rentals. Expenses are limited to the nine allowable uses by state law (*allowable uses provided on page 4*).
4. Expenditures of hotel occupancy tax must **directly** enhance and promote tourism and the hotel industry in the City of Sinton and its extraterritorial jurisdiction. All events/expenditures must pass the two-part test in order to be eligible for funding. If an event/expenditure is not reasonably likely to accomplish this result, it will not be funded by City of Sinton hotel occupancy tax reimbursement grant. (*See page 4 for two-part test and hotel occupancy tax expenditure eligibility information.*)
5. It is **required** that all Sinton hotels and bed & breakfasts are listed on all information provided to registrants, vendors/event attendees, including the event website. Information must include the lodging facilities current phone number, email and/or websites. Any event organizers awarded funds must provide proof in their post-event report that hotels were listed on the items listed above in order to receive reimbursement funds for their event. (*List of hotels provided on page 11.*)

6. All Sinton hoteliers and the Sinton Chamber of Commerce must be made aware of the event and event details in writing **60 days** prior to the event. Copies of these notices must be provided with the post-event report.
7. The event organizers **MUST** keep track of overnight stays that are booked in Sinton hotels and/or bed and breakfasts as a direct result of their event. Hoteliers may help keep track of overnight stays at the request of the event organizers. All requests for tracking must be made by the event organizers to each individual hotel and bed and breakfast. It is required for all overnight stays to be listed on your post-event report. If event organizers do not keep track of overnights stays from the event, they will not receive reimbursement funds.
8. The City of Sinton and Sinton Chamber of Commerce websites must be listed on event websites or other materials provided to registrants, vendor/event attendees.
9. Applicants applying for HOT funds for advertising and promotion must focus the requested funding on targeting overnight guests. Only advertising that is outside of a 100-mile radius of the Sinton city limits will be reimbursed through this grant.
10. The funds through this grant **do not** cover promotional items (i.e. t-shirts, hats, koozies, etc.) that the event organizers sell prior, during or after their event. The grant does reimburse promotional items that are purchased and given away for free as an advertising strategy in order to promote the event.
11. The City of Sinton shall be recognized as an event sponsor and receives benefits at the sponsorship level consistent with the grant amount awarded.
12. Applicant acknowledges that if grant funds are awarded, the event organizers agree to allow the financials of this event to be viewed at any time by the City of Sinton prior to receiving reimbursement for the event.

### **Application Submission Deadlines**

Application packets, along with any required supporting documents must be fully completed and submitted to the City of Sinton, 301 E. Market St., Sinton, TX 78387 no later than Monday, August 24, 2020 at 4:30 p.m. Applications may not be faxed; however they may be submitted via email to [sintonmanager@sintontexas.org](mailto:sintonmanager@sintontexas.org). **Late submissions will not be accepted.**

### **Application Review Process**

All applications will be reviewed by the HOT Fund Committee established by the City of Sinton City Council for completeness and to ensure that expenditures will directly promote City of Sinton tourism and its lodging industry. The applicant may be contacted when their application is reviewed to answer any additional questions regarding the application.

All applications submitted by the deadline with eligible, reimbursable expenses will be reviewed by the committee to evaluate the information submitted. Applicants are asked to be available to the committee when their application is reviewed to present their applications and answer any questions or to give additional information regarding their application. This allows the

organization to discuss the event and the activities that will occur and state how the organization will use the funding to promote the City of Sinton and **directly** enhance the lodging (hotel/motels) in the community by having visitors stay overnight in Sinton hotels. The application review date is set for Thursday, September 3, 2020 at 2:00 p.m. at Sinton City Hall. This committee will make recommendations for funding for each application to the Sinton City Council.

All applications recommended for funding by the committee will be reviewed by City Council. The applicant may be requested to provide additional information or answer questions for the City Council during the budget process. The final funding award date is set for the Tuesday, September 15, 2020 at 6:00 p.m. at Sinton City Hall.

*Please note that the application schedule is subject to change. Any changes to the schedule will be sent by email to all applicants.*

The City of Sinton will send notifications letters to applicants informing them of the decision for funding by the Sinton City Council once the FY2020/2021 budget is complete and adopted. The decision of the Sinton City Council, both as to the funding amount or denial of funding will be final. *(Failure to receive funding in one budget year does not prevent a re-submission in the next budget year.)* Applicants receiving funding are in effect entering into an agreement with the City of Sinton and are required to execute all subsequent documentation as described in the application. Please note that the City of Sinton works by fiscal year, not calendar year. Our FY 2020/2021 begins October 1, 2020 and ends September 30, 2021. The budget for the next fiscal year will have to be adopted and approved before any money can be reimbursed.

### **Post Event Report, Invoices and Proofs of Payment**

It is the responsibility of the event organization/representative to report the number of out of town guests and number of room nights stayed in Sinton's lodging properties. *(Please note that room nights generated in surrounding areas (outside of the Sinton City limits) do not fulfill the requirements of the state law and will not be credited to your event.)* These materials must be submitted no later than **sixty (60) days** following the event/expenditure and should be submitted to the City of Sinton. This grant is a reimbursement grant. In order to receive funds, you must submit the following:

- A completed post-event report that should mirror the budget presented in the original application *(Report located on page 9 and 10)*.
- A count of room nights stayed in Sinton hotels with proof of how that number was found
- Proof of payment for eligible, reimbursable expenses, which includes: a statement showing a zero balance, receipts, copy of cancelled checks, etc.
- Verbal follow up report given during regular scheduled City Council meeting

### **Hotel Occupancy Tax 101**

The Texas Tax Code provides a set of rules that state how the revenue from the HOT may be used. According to the Texas Tax Code, the use of HOT revenue is limited to expenditures that meet the following two-part test:

✓ First, every hotel occupancy tax revenue expenditure must directly enhance and promote tourism and the hotel and convention industry. See Tex. Tax Code § 351.101(b). In other words, the expenditure must be likely to attract visitors from outside Sinton into the city or its vicinity. If the expenditure is not reasonably likely to accomplish this result, it is not eligible for funding by HOT revenues.

✓ Second, each hotel occupancy tax revenue expenditure must fit into one of nine categories shown below:

**Expenditure Categories.** See Texas Tax Code §§ 351.101(a) and 351.110.

1. Funding the establishment, improvement, or maintenance of a convention center or visitor information center
2. Paying the administrative costs for facilitating convention registration
3. Paying for advertising, solicitations, and promotions that attract tourists and convention delegates to the county or its vicinity
4. Expenditures that promote the arts. Please note that it is not enough that a facility or event promotes the arts; state law requires that the expenditure also must be likely to directly promote tourism and the hotel and convention industry.
5. Funding historical restoration or preservation programs
6. Certain sporting event related expenses
7. Certain sporting related structures
8. Certain tourist shuttles
9. Signage directing tourists to attractions frequently visited by hotel guests.

Please print clearly and complete the following application.

**ORGANIZATION/BUSINESS INFORMATION**

Today's Date: \_\_\_\_\_

Name of Organization/Business: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Contact Phone Number: \_\_\_\_\_

Contact E-mail: \_\_\_\_\_

Is your organization/business: Non-profit \_\_\_\_ Private/For-Profit \_\_\_\_ Tax ID# \_\_\_\_\_

Purpose of your organization/business:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**PROPOSAL INFORMATION**

1. Does your Event/Expenditure pass **Part One** of the statutory test, defined specifically as directly enhancing and promoting tourism in Sinton **AND** directly promoting the overnight accommodation industry in Sinton by increasing overnight stays?

Yes \_\_\_ No \_\_\_

2. Does your Events/Expenditure pass **Part Two** of the statutory test, defined specifically as limiting the use of Hotel Occupancy Tax funds to one or more of the following categories: (1) Funding the establishment, improvement, or maintenance of a convention center or visitor information center; (2) Paying the administrative costs for facilitating convention registration; (3) Paying for advertising, solicitations, and promotion that attract tourists and convention delegates to the county or its vicinity; (4) Expenditures that promote the arts; (5) Funding historical restoration or preservation programs; (6) Certain sporting event related expenses; (7) Certain sporting related structures; (8) Certain tourist shuttles; (9) signage directing tourists to attractions frequently visited by hotel guests.

Yes \_\_\_ No \_\_\_

**\*Please indicate the category your applications falls under by circling the number above**

**If the answer to one of the above two questions is "NO", you are not eligible for HOT funds and need not continue EVENT/EXPENDITURE**

**DESCRIPTION**

1. Name of your event/expenditure: \_\_\_\_\_

2. Website address of your event/expenditure: \_\_\_\_\_

3. Date(s) of event/expenditure: \_\_\_\_\_

4. Will there be an admission charge for this event/expenditure? Yes: \_\_\_\_\_ No: \_\_\_\_\_

5. Please list any additional charges for this event/expenditure (i.e. parking, entry fees for contests, etc...)

Activity: \_\_\_\_\_ Cost: \_\_\_\_\_

Activity: \_\_\_\_\_ Cost: \_\_\_\_\_

Activity: \_\_\_\_\_ Cost: \_\_\_\_\_

6. Primary location of event/expenditure: \_\_\_\_\_

7. What is specifically being marketed or promoted (i.e. facility, event, etc...)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

8. Purpose and goal of your organization and who benefits from your success:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

### **VISITOR IMPACT**

1. Previous year's number of persons expected attending this event/expenditure:

Local (Austin Metro Area): \_\_\_\_\_

Out of Town (Beyond Austin Metro Area): \_\_\_\_\_

2. Number of total persons expected to attend this event/expenditure:

Local (Austin Metro Area): \_\_\_\_\_

Out of Town (Beyond Austin Metro Area): \_\_\_\_\_

3. Approximately number of people attending/visiting (including vendors) event or expenditure will stay overnight in Sinton hotels, motels or bed and breakfasts?

\_\_\_\_\_

4. Do you reserve a room block for this event/expenditure? Yes: \_\_\_\_\_ No: \_\_\_\_\_

5. How do you measure the impact of your event on area overnight facilities?

\_\_\_\_\_  
\_\_\_\_\_

**FUNDING REQUEST**

1. Amount Requested: \$ \_\_\_\_\_

2. Current Operating Budget for Proposed Event/Expenditure: \$ \_\_\_\_\_

3. Total advertising/promotion budget: \$ \_\_\_\_\_

4. What is your organization's direct contribution to the above? \$ \_\_\_\_\_

5. How will the funds be used?

\_\_\_\_\_

\_\_\_\_\_

6. Please indicate all promotion efforts your organization is coordinating and the amount financially committed to each media outlet:

Paid Advertising \$ \_\_\_\_\_ Press Releases to Media \$ \_\_\_\_\_

Radio \$ \_\_\_\_\_ Newspaper \$ \_\_\_\_\_

Television \$ \_\_\_\_\_ Direct Mailings \$ \_\_\_\_\_

Distribution of Brochures \$ \_\_\_\_\_ Other (describe) \$ \_\_\_\_\_

7. How do you intend to advertise or promote your event in another city or county?

\_\_\_\_\_

\_\_\_\_\_

8. Do you have an itemized budget on how you plan to use the requested Hotel Occupancy Tax funds? Yes \_\_\_\_\_ No \_\_\_\_\_

**REQUIRED ATTACHMENTS**

Along with the application, please submit the following attachments:

\_\_\_\_\_ Itemized, detailed list of expenditures relevant for HOT revenue use

\_\_\_\_\_ Expense and/or advertising/marketing plan, including targeted audience and list of media to be used

\_\_\_\_\_ List of Board of Directors/ Event Committee with contact phone numbers

\_\_\_\_\_ Event planning timeline or timeline through project completion

\_\_\_\_\_ Schedule of activities relating to your event/expenditure

\_\_\_\_\_ W9 form for organization or representative to be reimbursed

\_\_\_\_\_ Any other information you feel will support your application

**APPLICANT CERTIFICATION**

I hereby certify and affirm that (1) I have read the entire information in this application packet and understand and will comply with all provisions therein; and that I intend to use the grant for the aforementioned event/expenditure to directly enhance and promote tourism and hotel industry by attracting visitors from outside of Sinton into the city to stay overnight in one of Sinton’s lodging facilities. (2) I will abide by all relevant local, state, and federal laws/regulations regarding the use of Hotel Occupancy Tax.

Certified by: (signature) \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

**POST EVENT REPORT FORM**

Thank you for your interest in promoting tourism and the hotel industry in Sinton through the utilization of the City of Sinton Hotel Occupancy Tax (HOT) funds. **All entities that are approved for such funds must submit a Post Event/Project Report Form within sixty (60) days of each funded event/project.** A copy of all invoices **must** be attached.

**ORGANIZATION/BUSINESS INFORMATION**

Today's Date: \_\_\_\_\_ Name of Organization/Business: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Contact Phone Number: \_\_\_\_\_ Contact E-mail: \_\_\_\_\_

**EVENT/EXPENDITURE**

Name of Event/Expenditure: \_\_\_\_\_

Date of Event/ Expenditure: \_\_\_\_\_

Primary Location of Event/Expenditure: \_\_\_\_\_

Amount Received from Hotel Occupancy Tax Funds: \$ \_\_\_\_\_

Amount Used from Hotel Occupancy Tax Funds: \$ \_\_\_\_\_

1. What would you estimate was the actual attendance at the event/expenditure? \_\_\_\_\_

2. How many room nights were generated in Sinton hotels, motels, or bed and breakfasts by attendees of this event/expenditure? \_\_\_\_\_

3. Was a room block established for this event/expenditure at an area hotel/s? \_\_\_\_ How many rooms were nights were generated directly through the room block? \_\_\_\_\_

4. Please check all efforts your organization actually used to promote this event/expenditure and how much was actually spent in each category:

Paid Advertising \$ \_\_\_\_\_ Press Releases to Media \$ \_\_\_\_\_

Radio \$ \_\_\_\_\_ Newspaper \$ \_\_\_\_\_

Television \$ \_\_\_\_\_ Direct Mailings \$ \_\_\_\_\_

Distribution of Brochures \$ \_\_\_\_\_ Other (describe) \$ \_\_\_\_\_

## **POST EVENT REPORT FORM**

### **REQUIRED ATTACHMENTS**

Along with the post-event report, please submit the following attachments:

- \_\_\_\_\_ Proof of payment for eligible, reimbursable expenses, which includes: a statement showing a zero balance, receipts, copy of cancelled checks, etc.
- \_\_\_\_\_ Documentation showing hotels being listed on registration information and/or website
- \_\_\_\_\_ Proof of contact with hotels regarding event dates and event/expenditure information including emails, call logs, etc.
- \_\_\_\_\_ W9 form for organization or representative to be reimbursed
- \_\_\_\_\_ Other information you feel will support your post-event report

### **Submit Completed Post-event Reports To:**

City of Sinton, 301 E Market St., Sinton, TX 78610

Or [sintonmanager@sintontexas.org](mailto:sintonmanager@sintontexas.org)