



HOTEL OCCUPANCY TAX USE GUIDELINES UNDER TEXAS STATE LAW AND FUNDING APPLICATION FORM

The City of Terrell collects a Hotel Occupancy Tax (HOT) from hotels, motels, bed & breakfasts and inns. 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:

1. Convention Centers and Visitor Information Centers: the acquisition of sites for and the construction, improvement, enlarging, equipping, repairing operation and maintenance of convention center facilities or visitor information centers, or both;
2. Registration of Convention Delegates: the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants;
3. 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;
4. Promotions of the Arts that directly promote Tourism and the Hotel and Convention Industry: that the encouragement, promotion, improvement, and application of the arts, including 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 to the presentation, performance, execution, and exhibition of these major art forms, and
5. 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.

- 6 Sporting Event Expenses that Substantially Increase Economic Activity at Hotels: Expenses including promotional expenses, directly related to a sporting event in which the majority of participants are tourists. The event must substantially increase economic activity at hotels within the city or its vicinity.

- 7 Funding transportation systems for transporting tourists from hotels to and near the city to any of the following destinations:
 1. the commercial center of the city;
 2. a convention center in the city;
 3. other hotels in or near the city; or
 4. tourist attractions in or near the city.

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

City Policy: The **City of Terrell** accepts applications from groups (non-profit) whose program fits into one or more of the listed categories. All requests for funds should be submitted in writing accompanied by the official application. The applications will be reviewed by the **City Council** at a regularly scheduled council meeting. The applicant may be asked to be present at a meeting to answer any questions regarding the application. Applicants will be notified prior to meeting of time and location. Based on the application, eligibility, and funding available, City Staff will make a recommendation to the City Council. The **City Council** will make the final decision on the requests.

Eligibility and Priority for Hotel Tax Funds: Priority will be given to those events and entities based on their ability to generate overnight visitors to **Terrell**.

If an event will not generate any meaningful hotel night activity, **it is not eligible** for receipt of hotel occupancy tax funds. Events can prove this potential to generate overnight visitors by:

- a) **Historic information on the number of room nights used during previous years of the same events;**
- b) **Current information on the size of a room block that has been reserved at area hotels to accommodate anticipated overnight guests attending the event requesting hotel tax funds;**
- c) **Historical information on the number of guests at hotel or other lodging facilities that attended the funded event;** and/or
- d) **Examples of marketing of the programs and activities that are likely to generate and encourage overnight visitors to local lodging properties.**

Partnerships: The City Council encourages all event organizers to consider partnership agreements with other applicants to promote events. Cooperation between entities can result in more effective use of funds. Priority will be given to applications that show cooperative efforts between entities.

Use of Local Vendors: All event organizers are encouraged to patronize the **City of Terrell** businesses for food, supplies, materials, printing, etc. (Please include a copy of your organizations' purchasing policies)

Use of Revenues from Event: A portion of the revenues from any event and/or project receiving any type of funding assistance from the Hotel Occupancy Tax funds should be channeled back into the future costs of operating that same event or the continued operation of the project

Supplemental Information Required With Application: Along with the application, please submit the following:

_____ Marketing Plan for Proposed Event

_____ Schedule of Activities or Events Relating to the Proposed Project

_____ Purchasing Policies



Application

Organization Information

Date: _____

Name of Organization:

Address: _____

City: State: _____ Zip: _____

Contact Name: _____

Contact Phone Number: _____

Web Site Address for Event or Sponsoring Entity: _____

Is your organization: Nonprofit [] Private/For Profit [] Tax ID #: _____

Entity's Creation Date: _____

Purpose of your organization: _____

Name of Event or Project: _____

Partner Entity:

Date of Event or Project: _____

Primary Location of Event or Project:

Every Expenditure must DIRECTLY enhance and promote tourism AND the convention and hotel industry. In 100 words or less please explain how your Event or Project meets this requirement

Percentage of Hotel Tax Support of Related Costs

_____ (%) Note Percentage of Total Event Costs Covered by Hotel Occupancy Tax

_____ (%) Note Percentage of Total Facility Costs Covered by Hotel Occupancy Tax for the Funded Event

_____ (%) Note Percentage of Staff Costs Covered by Hotel Occupancy Tax for the Funded Event

If staff costs are covered, estimate percentage of time staff spends annually on the funded event(s) compared to other activities

Check Which Categories Apply to Funding Request and Amount Requested Under Each Category:

. Convention Center or Visitor Information Center: construction, improvement, equipping, repairing operation and maintenance of convention center facilities or visitor information centers, or both

\$ _____

. Registration of Convention Delegates: furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants;

\$ _____

. Advertising, Solicitations, Promotional programs to attract tourists and convention delegates or registrants to the city

\$ _____

. Promotion of the Arts that Directly Enhance Tourism and the Hotel & Convention Industry: encouragement, promotion, improvement, and application of the arts, including 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 to the presentation, performance, execution, and exhibition of these major art forms;

\$ _____

. 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;

\$ _____

Questions for All Funding Requests

Historical Narrative

Please provide a brief description of your agency’s history and background. (Please provide on separate page.) Points are awarded on the basis of how established your program is, past successes, etc. More points will be awarded for entities that have a proven track record of stability and staying within budget.

Mission Statement:

Background:

Needs Statement

Explain why you are requesting funds from the City of Terrell HOT Funds. (Please provide on separate page.) How does your organization meet the needs of the community?

Proposed Revenues and Expenditures. If you partner with another applicant please include their budget information. **(May be provided on a separate page.)**

Proposed Revenue Budget Description

| Source | Previous Year | Current Year |
|------------------------|---------------|--------------|
| City of Terrell | | |
| Kaufman County | | |
| State | | |
| Federal | | |
| United Way | | |
| Grants | | |
| Donations | | |
| Other | | |
| | | |
| | | |
| Total | | |

Proposed Expenditure Budget Description

| Line Item | Previous Year | Estimated | Funded by Hotel /Motel Tax |
|-----------|---------------|-----------|----------------------------|
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| | | | |
|--------------|--|--|--|
| Total | | | |
|--------------|--|--|--|

Goals, Objectives and Measures

For each of your programs (only for services or programs that are the subject of the funding request), please list the goals that your agency has set for the funding period and how it plans to achieve them. The objectives must be specific and measurable. Please describe the workload measures. Are they verifiable and reliable?

| Program | Goal | Objective | Performance Measures |
|---------------------------------------|---|--|---|
| <i>Name of current or new program</i> | <i>Definition: These describe generalized outcomes that you envision your organization will achieve</i> | <i>Definition: These are specific tasks and activities that are set out to meet your goals</i> | <i>Definition: The indicator that will be used to measure success. It could be a set rate (percentage) or an increase/decrease level from one period to another. _____ % or _____ #</i> |
| | | | |
| | | | |
| | | | |
| | | | |

How many years have you held this Event or Project: _____

Estimated Attendance: _____. How many people attending the Event or Project are anticipated will use hotels, motels or bed & breakfasts in the city?

How many nights will they stay: _____

Do you reserve a room block for this event at an area hotel or motel and if so, for how many rooms and at which hotels:

| No. Rooms | Name of Hotel / Motel |
|-----------|-----------------------|
| | |
| | |
| | |

Please list other years (over the last three years) that you have hosted your Event or Project with amount of funding given from HOT and the number of hotel rooms used:

| Month / Year | Amount of Funding | Number of Hotel / Motel Rooms Used |
|--------------|-------------------|------------------------------------|
| | | |
| | | |
| | | |

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

- Paid Advertising \$ _____
- Newspaper \$ _____
- Radio \$ _____
- TV \$ _____
- Press Releases to Media \$ _____
- Direct Mailing to out of town recipients \$ _____
- Other \$ _____

What areas does your advertising and promotion reach?

What number of individuals will your proposed marketing reach that are located in another city or county? Estimated _____

If a permanent facility (e.g. museum, visitor center) Estimated Attendance

Monthly/Annually: _____ / _____

Please note percentage of those in Attendance that are Staying at Area Hotel/Motels or other Lodging Facilities: _____

Attachment Checklist

All Attachments must be submitted with application and in the order shown

_____ Board of Directors Roster

_____ Staff Roster

_____ \$1 million in Liability Insurance

_____ Proposed Marketing Plan for Funded Event

_____ Schedule of Activities or Events Relating to the Funded Project

_____ Current Purchasing Policies and Procedures

_____ Articles of Incorporation

_____ IRS 501 (c)(3)

_____ Annual Audit, Review, or Financial Statement

_____ Annual Report

Applicant Signature _____

Date _____

FOR INTERNAL CITY USE ONLY

_____ **Complete**

_____ **Incomplete (explain)**

Post Event Report Form

Date: _____

Organization Information

Name of Organization: _____

Address: _____

City, State, Zip: _____

Contact Name: _____ Contact Phone Number: _____

Event Information

Name of Event or Project: _____

Date of Event or Project: _____

Primary Location of Event or Project: _____

Amount Requested: \$ _____

Amount Received: \$ _____

How were the funds used: _____

How many years have you held this Event or Project: _____

Event Funding Information

1. Actual percentage of funded event costs covered by hotel occupancy tax: _____
2. Actual percentage of facility costs covered by hotel occupancy tax (if applicable): _____
3. Actual percentage of staff costs covered by hotel occupancy tax (if applicable): _____
4. If staff costs were covered, estimate of actual hours staff spent on funded event: _____
5. Did the event charge admission? Was there a net profit from the event? If there was a net profit, what was the amount and how is it being used? _

Event Attendance Information

1. How many people did you predict would attend this event? (number submitted in application for hotel occupancy tax funds): _____
2. What would you estimate as the actual attendance at the event? _____
3. How many room nights were generated at Terrell hotels by attendees of this event or project?

4. If this Event has been funded by hotel occupancy tax in the last three years, how many room nights were generated at _____ (fill in name of your city or entity overseeing use of hotel tax) hotels by attendees of this Event or Project?

Last Year _____

Two Years Ago _____

Three Years Ago _____

5. What method did you use to determine the number of people who booked rooms at Terrell hotels (e.g.; room block usage information, survey of hoteliers, etc.)?

6. Was a room block established for this Event at an area hotel (hotels), and if so, did the room block fill? _____
If the room block did not fill, how many rooms were picked up? _____

Event Promotion Information

1. Please check all efforts your organization actually used to promote this Event and how much was actually spent in each category:

Newspaper: \$ _____

Radio: \$ _____

TV: \$ _____

Other Paid Advertising: \$ _____

Number of Press Releases to Media _____

Number Direct Mailings to out-of-town recipients _____

Other Promotions _____

2. Did you include a link to the CVB or other source on your promotional handouts and in your website for booking hotel nights during this event?

3. Did you negotiate a special rate or hotel/event package to attract overnight stays?

4. What new marketing initiatives did you utilize to promote hotel and convention activity for this Event?

5. Please attach samples of documents showing how Terrell was recognized in your advertising/promotional campaign

6. Please attach at least one sample of all forms of advertising/promoting used in your campaign. If the sample itself does not indicate the medium (radio, TV, print, or mail) used or where the advertising took place (e.g. a city's newspaper, or a radio spot that does not indicate the city where the spot was played), please include other information that would show location of the advertising and medium utilized.

Sporting Related Events

1. If the Event funded by hotel occupancy tax was a sporting-related function/facility, how many individuals actually participated in this event? _____

2. If the event was a sporting-related function/facility, how many of the participants were from another city or county? _____

3. If the event was a sporting-related function/facility, quantify how the activity substantially increased economic activity at hotel within the city or its vicinity?

Additional Event Information

What Terrell businesses did you utilize for food, supplies, materials, printing, etc?
