



HOTEL OCCUPANCY TAX HOT TAX FUNDING

GUIDELINES & CITY POLICY

APPLICATION FORM

POST EVENT REPORT

Revised 2/10/23

HOTEL OCCUPANCY TAX USE GUIDELINES

State Law: By law of the State of Texas, the City of Ingleside collects a Hotel Occupancy Tax (HOT) from hotels, motels, bed & breakfasts, and short-term rentals. Under state law, the revenue from the HOT may be used only to directly promote tourism and the hotel and convention hotel industry. **Chapter 351 of the Tax Code states that the use of HOT funds is limited to:**

- a. **Convention centers and visitor information centers:** the acquisition of sites for and the construction, improvement, enlarging, equipping, repairing operation and maintenance of convention 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 that 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 art facility or event can show hotel nights that are booked due to their events or that guests at hotels 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 to 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 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 who substantially increase economic activity at hotels and motels within the city or its vicinity.
- g. **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.

The law specifically prohibits the use of 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.**

CITY POLICY

Mission Statement of the City of Ingleside: The City of Ingleside seeks to increase hotel/ motel occupancy by promoting the City of Ingleside, all its tourism assets, and supporting local events.

City Policy: To provide a unified understanding of the funding criteria between the applicant and City Council, the following guidelines will apply:

- a. Preference will be given to those requests which will be able to increase hotel occupancy.
- b. The City of Ingleside accepts applications from groups and businesses whose program fits into one or more of the above categories.
- c. The intent of the program is to provide funding for an event to help advertise and promote events increasing hotel occupancy.
- d. Continued funding in subsequent years of an event or tourism asset may be considered but should be in an amount commensurate with the anticipated return to the city in the form of HOT funds.
- e. Continued funding for annual events which have not demonstrated a progression of financial stability or a significant contribution to hotel occupancy may not be given preference.
- f. All applications must be submitted to the City by June 1st for funding during the next fiscal year.
- g. The applications will be reviewed by the Hot Fund Committee and presented to the City Council.
- h. The applicant is required to be present at the City Council meeting to answer any questions regarding the application.
- i. Applicants will be notified one week prior to the meeting of the time and place for the review.
- j. The City Council will have final approval for all application requests.
- k. A copy of the Special Permit for the park usage from the Parks & Recreation Department must be submitted with the application if the event is in a City park.**
- l. The Post Event Form is due no later than 60 days after the event date.

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 Ingleside. 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; and/or
- c. Examples of marketing of the programs and activities that are likely to generate or encourage overnight visitors to local lodging properties.

Use of local vendors: The City encourages all event organizers to patronize Ingleside businesses for food, supplies, material, printing, etc. when feasibly possible as this increases sales tax and overall economic well-being of the City. *Priority will be given to those applicants who support the local businesses.*

Use of revenues from event: 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 host organization may profit from the _____ (FILL IN NAME OF ENTITY APPLYING FOR FUNDING REQUESTS) funding of a particular event. (Remove or amend this provision if the event has a substantial impact on tourism and hotel activity but has a portion of its proceeds channeled to outside benevolent programs.)

Application Project Worksheet *(an Excel Spreadsheet May Be Substituted for this Form)*

A. Expenditures	a. Applicant's Grant Request	b. Cash from all other sources	c. In-kind (no cash paid for services)	Total of a, b & c
1. Personnel				
Administrative				
Artistic				
Technical				
Other Personnel				
2. Fees for outside professional services				
Administrative				
Artistic				
Technical/Other				
3. Space Rental				
4. Equipment Rental				
5. Travel/Transportation				
6. Promotion/Printing				
7. Costumes/Royalties				
8. Other (supplies, postage, etc.)				
		Total Expenditures		
B. Revenues - (For this project only) include in-kind services				
1. This grant request				
2. Admission & ticket sales				
3. Concessions				
4. Individual donations				
5. General funds budgeted				
6. Additional grants				
a. Arts				
b. Chamber				
C. Other				
	Total Income & Contributions			
	Total In-kind			
		Total Revenues		

Application for HOT Tax Funding

(Due by June 1st of each year)

Date: _____

Organization Information

Name of Organization: _____

Address: _____

City, State, Zip: _____

Contact Name: _____ Contact Phone Number: _____

Email: _____ Website: _____

Address of Event: _____

Non-Profit or For-Profit status: _____ Tax ID#: _____

Entity's creation date: _____

Purpose of your organization: _____

Event Information

Name of event or project: _____

Date of event or project: _____

Primary location of event or project: _____

Amount requested: \$ _____

How will the funds be used? _____

Primary purpose of funded activity/ facility: _____

Percentage of Hotel Tax support of related costs

_____ Percentage of total **event costs** covered by Hotel Occupancy Tax

_____ Percentage of total **facility costs** covered by Hotel Occupancy Tax for the funded event

_____ 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 _____%

Which category or categories apply to funding request, and amount requested under each category:

- a) **Convention Center or Visitor Information Center:** construction, improvement, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both. Amount requested under this category: \$ _____
- b) **Registration of convention delegates:** furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants. Amount requested under this category: \$ _____
- c) **Advertising, solicitations, promotional programs to attract tourists and convention delegates** or registrants to the municipality or its vicinity. Amount requested under this category: \$ _____
- d) **Promotion of the Arts that directly enhance tourism and the hotel & 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 art facility or event can show hotel nights that are booked due to their events or that guests at hotels 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 to the presentation, performance, execution, and exhibition of these major art forms. Amount requested under this category: \$ _____
- e) **Historical restoration and preservation activities that directly promote tourism and the hotel and convention industry:** historical restoration and preservation projects, activities, or advertising and conducting solicitation or promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums. Amount requested under this category: \$ _____
- f) **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 who substantially increase economic activity at hotels and motels within the city or its vicinity. Amount requested under this category: \$ _____
- g) **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.

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.

Amount requested under this category: \$ _____

What sites or attractions will tourists be taken to by this transportation? _____

Will members of the general public (non-tourists) be riding on this transportation? _____

What percentage of the ridership will be local citizens? _____

h) **Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality.** Amount requested under this category: \$ _____

What tourist attractions will be the subject of the signs? _____

i) **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. Amount requested under this category: \$ _____

How many individuals are expected to participate in the sporting-related event? _____

How many of the participants at the sporting-related event are expected to be staying in a local hotel? _____

Quantify how the sporting related event will substantially increase economic activity at hotels within the city or its vicinity.

Questions for All Funding Request Categories:

1. How many years have you held this Event or Project? _____

2. Expected Attendance: _____

3. How many area hotel rooms do you expect to be filled for this event? _____

4. Do you reserve a room block for this event at an area hotel and if so, for how many rooms and at which hotels? _____

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

Month/Year held

Assistance amount

Number of hotel rooms used

6. How will you measure the impact of your event on area hotel activity (e.g., room block usage information, survey of hoteliers, etc.) _____

7. Please list other organization, government entities, and grants that have offered financial support to your project: _____

8. Will the event charge admission? Do you anticipate a net profit from the event? If there is a net profit, what is the anticipated amount and how will it be used? _____

9. Please list all promotion efforts your organization is coordinating:

- Digital
- Radio
- TV
- Social Media
- Billboards (75 miles & over)
- Other: _____

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

11. What new marketing initiatives will you utilize to promote hotel and convention activity for this event?

12. What geographic areas does your advertising and promotion reach? _____

13. If the funding requested is related to a permanent facility (e.g., museum, visitor center):

Expected attendance monthly/ annually: _____

Percentage of those in attendance that are staying at area hotels/ lodging facilities: ____%

14. What method will you use to document how many attendees will stay overnight in a hotel room in Ingleside?

- Questionnaire or survey
- Registration form
- Guest book
- Hotel room block report
- Other, please describe: _____

15. Please attach the following to the application prior to submission:

- Your organization's most recent financial statements, including a copy of the most current audit or review conducted. If a formal audit is not conducted, please describe the mechanism used by your organization to validate expenses (i.e., does the Board review?).
- A copy of your agency's IRS tax exempt certificate.
- Your organization's current budget, approved by your organization's board.

- Income statement from past event(s) that have received HOT Funds in the 12 months preceding your application.
- Proposed budget for event to be funded in whole or in part with grants from this application with line items where HOT Funds will be used highlighted. Include all items you expect the *HOT* funding to pay for, including salaries, benefits, and operating expenses - even if HOT Funds are only covering a portion of certain expenses.
- One or more of the following to demonstrate potential to generate overnight visitors: Established events:
 - a) historic information documenting the number of room nights used during previous years of the same events.
 - b) historic information documenting the number of guests at hotel or other lodging facilities that attended the funded event (through surveys, guest directories, or other sources, and/or new events.
 - c) current information on the size of a room block that has been reserved at area hotels to accommodate anticipated overnight guests attending the funded event.
 - d) examples of the planned marketing of the programs and activities that will likely generate overnight visitors to local lodging properties from this event.
- Copy of Special Use Permit for usage of City park.

16. Any damage to City property or parks, as determined by the City to be a consequence of this event, will result in money due by the applicant reimbursing the City for all costs associated with repairs. Money due the City for such repairs will be required to be paid in full prior to releasing any HOT Funds to the applicant after the submission of the Post Event Report. HOT Funds cannot be used to pay for damages. (See Addendum A *requires additional signature).

17. Post Event Form is due to the City within 60 days of the end of event.

Applicant (printed): _____ Reviewed by: _____

Applicant (signature): _____ Reviewed by: _____

Approved by City Council on: _____

Approved Amount: _____

Note: Documentation showing hotel room nights associated with the event is required with the Post Event Report.

All applications must be submitted by June 1st to accommodate the budgeting process for the following fiscal year which runs from October 1 to September 30. Events shall occur during the fiscal year to correspond with the budget.

Director of Economic Development
 P.O. Drawer 400
 Ingleside, Texas 78362
 361.776.3815

ADDENDUM A

Any damage to City property or parks, as determined by the City to be a consequence of this event, will result in money due by the applicant reimbursing the City for all costs associated with repairs. Money due the City for such repairs will be required to be paid in full prior to releasing any HOT Funds to the applicant after the submission of the Post Event Report. HOT Funds cannot be used to pay for damages.

As the Applicant, I understand and agree to these terms concerning damages and understand my signature is required prior to my application going before City Council for their consideration of this HOT Fund Application:

Signature of Applicant: _____

Printed Name of Applicant: _____

Date of Signature: _____

Post Event Report Form

By law of the State of Texas, the City of Ingleside collects Hotel Occupancy Tax (HOT) from hotels, motels, bed & breakfast inns, and short-term rentals. The revenue from 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 visitor information centers**
- b. Registration of convention delegates**
- c. Advertising, solicitations, and promotions that directly promote tourism and the hotel and convention industry**
- d. Promotions of the Arts that directly promote tourism and the hotel and convention industry**
- e. Historical restoration and preservation activities that directly promote tourism and the hotel and convention industry**
- f. Sporting event expenses that substantially increase economic activity at hotels**
- g. 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
- h. Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality.**

The City of Ingleside accepts applications from groups and businesses meeting 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 City 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 Ingleside.

POST EVENT REPORT FORM

**Note: Documentation showing hotel room nights associated with the event is required with the Post Event Report.*

Date: _____

ORGANIZATION INFORMATION

Name of Organization: _____

Address: _____

City, State, Zip: _____

Contact Name: _____

Contact Phone Number: _____

Email: _____

PROJECT OR EVENT

Name of event or project: _____

Date of event or project: _____

Primary locations of event or project: _____

Primary purpose of funded event or project: _____

Amount received from Hotel Occupancy Tax Funds: _____

Amount used from Hotel Occupancy Tax Funds: _____

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 this 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 on application for hotel occupancy tax funds): _____
2. What would you estimate was the actual attendance at the event? _____
3. How many room nights were generated at Ingleside hotels, motels, bed & breakfasts, or short-term rentals 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 Ingleside hotels, motels, bed & breakfasts, or short-term rentals 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 Ingleside hotels, motels, bed & breakfasts, or short-term rentals (e.g., room block usage information, survey of hoteliers, etc.)?

6. Was a room block established for this event at an area hotel(s) Yes ____ or No ____? If so did the room block fill? Yes ____ or No ____? If the room block did not fill, how many rooms were picked up? _____

Event Promotion Information

1. Please check all efforts your organization used to promote this event and how much was actually spent in each category:
Newspaper: \$ _____
Radio: \$ _____
TV: \$ _____
Press Release \$ _____
Other \$ _____
2. Did you include a link to the Ingleside Visitor's Center or other source on your promotional handouts and on 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 the City of Ingleside was recognized in your advertising/promotional campaign.

6. Please attach at least one sample of all forms of advertising/promotion 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, how many individuals participated in this event? _____

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

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

Additional Event Information

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

Submit no later than 60 days after the event to:

City of Ingleside
Attn: Director of Economic Development
P.O. Drawer 400
Ingleside, TX 78362