



CITY OF STEPHENVILLE

**HOTEL OCCUPANCY TAX (H.O.T) APPLICATION
(HOTEL MOTEL FUNDS GRANT APPLICATION)**

CITY OF STEPHENVILLE
GUIDELINES UNDER TEXAS LAW FOR
USE OF HOTEL OCCUPANCY TAX REVENUE

State Law: By law of the State of Texas, the City of Stephenville collects a Hotel Occupancy Tax (HOT) from hotels, motels, inns, and bed-and-breakfast establishments. Chapter 351 of the Tax Code states that HOT funds may be used only if both parts of the following two-part test are met. Part One (1) requires that usage of HOT Funds must directly enhance and promote tourism and the convention, and hotel industry, and Part Two (2) limits the use of HOT Funds to the following:

1. **Convention center facilities or visitor information centers:** the acquisition of sites for and the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of TVB center facilities or visitor information centers, or both;
2. **Registration of tourism and visitor's bureau delegates:** the furnishing of facilities, personnel, and materials for the registration of TVB delegates or registrants;
3. **Advertising, and conducting solicitations and promotional programs to attract tourists and visitor's delegates:** advertising and conducting solicitations and promotional programs to attract tourists and visitor's delegates or registrants to the municipality or its vicinity;
4. **Promotion of the arts:** 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;
5. **Historical restoration and preservation projects or activities:** historical restoration and preservation objects or activities or advertising and conducting solicitations and promotional programs to encourage tourists and visitor's delegates to visit preserved historic sites or museums: (a) at or in the immediate vicinity of Tourism and Visitor's Bureau facilities or visitor information centers; or (b) located elsewhere in the municipality or its vicinity that would be frequented by tourists and visitor delegates;
6. **Sporting event expenses related to sporting events which substantially increase economic activity at hotels:** for a municipality located in a county with a population of 290,000 or less, expenses, including promotion 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 municipality or its vicinity.

7. **Signage:** Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality.
8. **Transportation systems for tourists:** Funding the costs for transporting tourists from hotels in and near the city to: the commercial center of the city, a convention center in the city, other hotels in or near the city, and tourist attractions in or near the city.

City of Stephenville Process: The City of Stephenville accepts applications from groups who request HOT Funds for events/activities/facilities, which fit into one or more of the above listed categories. All decisions of the City Council are final.

City of Stephenville Policy:

1. The purpose of HOT funding is to assist and support qualified events/activities/facilities, not to be the major patron or the majority funds provider (50% or more) for the event/activity/facility budget.
2. Priority will be given to those events and entities based upon documented ability to directly promote tourism and the hotel and convention industry in Stephenville by “demonstrating a proven record of increased hotel or tourism and visitor’s activity.” Such activity may result from hotel or tourism and visitor’s guests that are already in town and choose to attend the funded event or facility, or it may result from individuals coming from another city or county to stay in an area lodging to attend the funded event or facility. Applicants should document the potential to generate increased hotel or tourism and visitor’s activity by:
 - a. Providing historical information on the number of rooms nights used during previous years of the same event/activity/facility;
 - b. Providing current information on the size of room blocks reserved at area hotels to accommodate anticipated overnight guests attending the funded event/activity/facility.
 - c. Providing historical information on the number of guests at hotels or other lodging facilities that attended the funded event/activity/facility; and/or
 - d. Providing examples of marketing or programs and activities likely to generate or encourage overnight visitors to local lodging properties.

3. All applicants are encouraged to utilize local businesses for food, supplies, materials, printing, and the like. A minimum of 8% of the HOT Funds shall be spent with local businesses.
4. A portion of the revenues from any event/activity/facility receiving HOT Funds should be channeled back into the future costs of operating that same event/activity/facility or the continued operation of such.
5. It is critical that the Application/Request for funding be filled out completely and accurately. Under the application section "Fund Usage," it is responsibility of the applicant to specifically explain how the funds will be used only in eligible ways.
6. If applying under the Advertising category, please note the local requirement that advertising must be accomplished in advance of the event/activity/facility, and must utilize legitimate media for promotion outside of the area, i.e. direct mail, newspapers, magazines, radio, television, billboards.
7. As a general rule, all funding requests should be for fifty percent (50%) or less of Applicant's total projected revenue from the event/activity/facility.
8. Applicants are on notice that while the City of Stephenville makes decisions based on estimated budgets and projections, documentation of how granted funds were spent must be actual costs supported by proofs of payment. Any monies not used or not used lawfully, must be returned or repaid to the City within sixty (60) days of the event, along with the completed Post-Funding Analysis.
9. The final accounting of funds must mirror the items outlined in the Applicant's original application, in its fund expenditure outline, and in its request letter.
10. City of Stephenville guidelines were duly adopted by City Council on ____ day of _____, 20____.

FUNDING CONSIDERATION CHECKLIST**Name of****Event/Activity/Facility:** _____

Does your event/activity/facility pass Part One (1) of the statutory test, defined specifically as directly enhancing and promoting tourism and the convention, and hotel industry in Stephenville? YES NO

Does your event/activity/facility pass Part Two (2) of the statutory test, defined specifically as fitting into one of more of the following categories:

- Convention center facilities or visitor information centers
- Facilities, personnel and materials for registration of the Tourism and Visitor's Bureau delegates
- Advertising, and conducting solicitations and promotional programs to attract tourist and visitor's
- Promotion 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
- Historical restoration and preservation projects or activities, or advertising and conducting solicitations and promotional programs to encourage tourists to visit preserved historic sites or museums in the area
- Signage directing tourist to sights and attractions that are visited frequently by hotel guests in the municipality
- Funding the costs for transporting tourists from hotels in and near the city to: the commercial center of the city, a convention center in the city, other hotels in or near the city, and tourist attractions in or near the city
- Sporting event expenses, including promotion expenses, related to sporting events at which the majority of participants are tourists who substantially increase economic activity at hotels in the area
- Is your application filled out thoroughly and completely, and are all required pages attached?
- Is your request for funding in accordance with the maximum funding guidelines?
- If applicable, have you submitted the Post-Funding Analysis and proofs of payment for last year's event/activity/facility?
- If applicable, have you returned or repaid the City for any previous funds not used or not used lawfully?
- Have you documented how you will accurately track out-of-town guests, showing that your event will attract tourists that will directly support the Tourism and Visitor's Bureau and the Hotel industry in the area?
- Is your request for fifty percent (50%) or less of your total projected revenue from the event/activity/facility?
- If you are applying under the Advertising category, is your request for one hundred percent (100%) or less of your total projected advertising expenditures?
- If you are applying under the Advertising category, have you met the local requirement that advertising must be accomplished in advance of the event/activity/facility, and must utilize legitimate media for promotion outside of the area, i.e. direct mail, newspapers, magazines, radio, television, billboards?
- Will all advertising indicate that the City of Stephenville is a direct sponsor of the event?

APPLICATION

Organization Information

Date: _____

Name of Organization

Address:

City, State, Zip:

Contact Name:

Contact Phone Number:

Website Address for Event/Activity/Facility:

Is your organization: Non-Profit Private for Profit

Tax ID#: _____

Organization's Creation Date: _____

Purpose for your organization:

Event/Activity/Facility Information

Name of Event/Activity/Facility:

Date of Even/Activity:

Primary Location of Event/Activity/Facility:

Amount of HOT Funding Requested:

Fund Usage: How will the funds be used?

Primary purpose if funded Event/Activity/Facility:

Check that statutory categories apply to funding request and amount requested under each category:

Convention center facilities or 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; _____

Registration of Tourism and Visitor's Bureau delegates: the furnishing of facilities, personnel, and materials for the registration of tourism and visitor's bureau delegates or registrants; _____

Advertising, and conducting solicitations and promotional programs to attract tourists and visitor delegates: advertising and conducting solicitations and promotional programs to attract tourists and visitor's delegates or registrants to the municipality or its vicinity; _____

Promotion of the arts: 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 pictures, 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: historical restoration and preservation projects or activities or advertising and conducting solicitations and promotional programs to encourage tourists and visitor's delegates to visit preserved historic sites or museums: (a) at or in the immediate vicinity of the Tourism and Visitor's Bureau center facilities or visitor information centers; or (b) located elsewhere in the municipality or its vicinity that would be frequented by tourists and visitors delegates; _____

- Sporting event expenses related to sporting event which substantially increase economic activity at hotels:** for a municipality located in a county with a population of 290,000 or less, expenses, including promotion 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 municipality or its vicinity. _____

- Signage:** Signage directing tourists from hotels in and near the city to: the commercial center of the city, a convention center in the city, other hotels in or near the city, and tourist attractions in or near the city.

- Transportation system for tourists:** Funding the costs for transporting tourist from hotels in and near the city to: the commercial center of the city, a convention center in the city, other hotels in or near the city, and tourist attractions in or near the city.

(Answer the following three (3) questions only if sporting event-related)

If sporting even-related: How many individuals are expected to participate?

If sporting event-related: How many of the participants are expected to be from another city or county?

If sporting event-related: Quantify how the funded event/activity/facilities will substantially increase economic activity at hotel and motels within the City or its vicinity?

Questions for all Funding Requests

How many years have you held this event/activity?

Expected attendance:

How many people attending the event/activity/facility will use Stephenville hotels, motels, inn s or bed-and-breakfast establishments?

How many nights will they stay?

Do you reserve a room block for this event/activity/facility at an area hotel and if so, for how many rooms and at which hotels?

Please list other years (over the last three years) that you have hosted your event/activity/facility, and list the amount of assistance given from HOT funding and the number of hotel rooms used:

| Motel/Year Held | Assistance Amount | Number of Hotel Rooms Used |
|-----------------|-------------------|----------------------------|
| | | |
| | | |
| | | |

How will you measure the impact of your event/activity/facility on area hotel activity?

Please list all other organizations, government entities and grants that have offered financial support to your event/activity/facility, and respective amounts:

Please check all promotion efforts your organization is coordinating, and list the financial amounts committed to each media outlet:

- Paid Advertising
 Newspaper
 Radio
 TV
 Social Media
 Press Releases
 Direct mailing to out-of-town recipients
 Other

What specific geographic areas do your advertising materials and promotions reach?

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

The above application for HOT funds received for the City of Stephenville, and the explanation of how such funds will be utilized, is true and accurate.

Authorized Signature

Date Signed

This Pre-Fund Analysis must be completely and accurately filled out and returned to the City of Stephenville, Attn: Tourism Coordinator, 298 W. Washington St. Stephenville, Texas 76401, no later than **sixty (60) days** before the event/activity/facility. If the total amount of the HOT funds were not used or were not lawfully used, then those funds must be returned or repaid to the City of Stephenville with the Post-Funding Analysis. Questions may be directed to the Tourism Coordinator at (254) 918-1212 or email tourism@stephenvilletx.gov.

(ONLY turn this part in once your event is completed)

POST-FUNDING ANALYSIS AND PROOFS OF PAYMENT

ORGANIZATION INFORMATION

Date: _____

Name of organization: _____

Address: _____

City, State, Zip: _____

Contact Person: _____

Contact Telephone Number: _____

EVENTS/ACTIVITY/FACILITY INFORMAITON

Name of funded event/activity/facility: _____

Date funded event/activity/facility held: _____

Primary location of funded event/activity/facility: _____

Primary purpose of funded event/activity/facility: _____

Amount received from HOT funds: _____

Specific explanation of how HOT funds were spent: _____

How many years have you held this event/activity/facility? _____

How many people did you predict would attend this event/activity/facility? *(Note: this should be the number you submitted in "Application")*: _____

How many people do you estimate actually attended the event/activity/facility? _____

How many room nights were generated in Stephenville area hotels/motels, inns, and bed-and-breakfast establishments by attendees of this event/activity/facility? _____

If this event/activity/facility has been funded by HOT funds in the last three (3) years, how many room nights were generated at Stephenville area hotels/motels, inns, and bed-and-breakfast establishments by attendees of this event/activity/facility?

Last Year? _____

Two Years Ago? _____

Three Years Ago? _____

What method did you use to determine the number of people who booked rooms in Stephenville area hotels/motels, inns, and bed-and-breakfast establishments by attendees of this even/activity/facility? *(for example, room block usage information, survey of hoteliers, etc.)*

Was a room block established for this event/activity/facility at an area hotel and, if so, did the room block fill? _____

If the room block did not fill, how many rooms were picked up? _____

Please check all efforts your organization actually used to promote this event/activity/facility, and how much money was actually spent in each category:

| | |
|---------------|----|
| Newspaper | \$ |
| Radio | \$ |
| TV | \$ |
| Press Release | \$ |
| Direct Mail | \$ |
| Social Media | \$ |
| Other | \$ |

What new marketing initiatives did you utilize to promote hotel, tourism and visitor's activity for this event/activity/facility? _____

Attach actual documents showing how Stephenville was recognized in your advertising/promotional campaign.

Attach actual documents showing all forms of advertising/promotion used in your campaign. If the item itself does not indicate the medium used (*i.e. radio, TV, print, or mail*) or exactly where the advertising took place, please include other information that would show the location of the advertising and medium utilized.

Attach actual invoices, receipts, and proofs of payment for ALL expenditures on which HOT funds were used in whole or in part.

Were the HOT funds received fifty percent (50%) or less of total receipts? _____

HOT Funds Received: _____

Total Event Receipts: _____

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

If sporting event-related, how many individuals actually participated in the event/activity/facility? _____

If sporting event-related, how many participants were from another city of county? _____

The above accounting of HOT funds received for the City of Stephenville, and the explanation of how such funds were actually utilized, is true and accurate.

Authorized Signature

Date Signed

This Post-Fund Analysis must be completely and accurately filled out and returned to the City of Stephenville, Attn: Tourism Coordinator, 298 W. Washington St. Stephenville, Texas 76401, no later than **sixty (60) days** after the event/activity/facility. All invoices and proofs of payment must be attached and will not be returned. If the total amount of the HOT funds were not used or were not lawfully used, then those funds must be returned or repaid to the City of Stephenville with this Post-Funding Analysis. Questions may be directed to the Tourism Coordinator at (254) 918-1212 or email tourism@stephenvilletx.gov.