

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

State Law: By law of the State of Texas, the City of Alvin collects a Hotel Occupancy Tax (HOT) from hotels and other lodging facilities. Per Chapter 351, Texas Tax Code, there is a two-part test that every expenditure must pass to be valid:

- 1.) The expenditure must directly enhance and promote tourism and the hotel and convention industry.
- 2.) The expenditure must clearly fit into one of the following statutory categories for expenditure of local hotel occupancy tax revenues:
 - a) **Registration of convention delegates:** the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants;
 - b) **Advertising, solicitations and promotions that directly promote tourism and the hotel and convention industry:** the advertising, solicitation or promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity;
 - c) **Promotions of the arts that directly promote 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 produces booked hotel stays or that guests at the hotels attended the art 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;
 - d) **Historical restoration and preservation activities that directly promote tourism and the hotel and convention industry:** historical restoration, preservation projects or activities, advertising, solicitation and promotional programs that encourage tourists and convention delegates to visit preserved historic sites or museums;
 - e) **Sporting event expenses that substantially increase economic activity at Hotels:** expenses including promotional expenses, directly related to a sporting event where the majority of participants are tourists. The event must substantially increase economic activity at hotels within the city or its vicinity;
 - f) **Funding of transportation systems for tourists from hotels in 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.

State law specifically prohibits the use of local hotel occupancy tax to cover costs of general city transit to transport the general public.

g) **Signage directing tourists to sites and attractions that are visited frequently by hotel guests in the municipality:**

City Policy: The City of Alvin shall accept applications from groups and businesses whose program fits into one or more of the above categories. All requests for funds shall be made by August 7th, 2017. The application will be reviewed by the Hotel Occupancy Tax (HOT) Committee at the earliest possible regularly scheduled meeting. The applicant may be asked to 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. The HOT Committee will make the initial funding recommendations to City Council, who in turn will make the final decision on the allocation of funds.

Eligibility and priority of hotel tax funds: Priority will be given to those events and entities based on their ability to generate overnight visitors in the City of Alvin. If an event will not generate sizeable hotel night activity, it is not eligible for receipt of hotel occupancy tax funds. Events can provide evidence of the potential to generate overnight visitors with:

- a) **Historic information on the number of room nights used in 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 funded event;**
- c) **Historical information on the number of guests at hotel or other lodging facilities that attended the funded event** (through surveys, guest directories, or other sources); and/or
- d) **Examples of the planned marketing of the programs and activities that are likely to generate overnight visitors** to local lodging properties from this event.

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.

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

- _____ Marketing plan for funded event
- _____ Schedule of activities, events relating to the request

Submit to: Hotel Occupancy Tax Committee
c/o CVB Staff
200 Depot Centre Blvd.
Alvin, TX 77511
Email: cvb@cityofalvin.com
281-585-3359

HOT Funding Application Form

Due: Monday August 7, 2017

Date: _____

Organization Information

Name of Organization: _____

Address: _____

City, State, Zip: _____

Contact Name: _____ Contact Phone Number: _____

Website address of event or sponsoring entity: _____

Is your organization: Non-Profit _____ Private/For-Profit _____

Tax ID #: _____

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:

Check the Categories which Apply to the Funding Request and the Amounts Requested:

- a) Registration of convention delegates:** furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants. Amount requested under this category: \$_____
- b) Advertising, solicitations, or promotional programs to attract tourists and convention delegates/registrants to the municipality or its vicinity.** Amount requested under this category: \$_____
- d) Promotion of the Arts that directly enhances 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 projects, activities or advertising or solicitations and promotional programs used to encourage tourists and convention delegates to visit preserved historic sites or museums.** Amount requested under this category: \$_____
- f) 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 from another city or county? _____

Please quantify how the sporting related event will 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 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 and 4.) tourist attractions in or near the city. Amount requested under this category: \$_____

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

Will members of the general public 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?

Questions for All Funding Requests:

- 1. How many years have you held this Event or Project: _____
- 2. Expected Attendance: _____
- 3. Will you be charging admission, if so, how much? _____
- 4. What is your method of tracking attendee? _____
- 3. How many people attending the Event or Project will use Alvin hotels? _____

How many nights will they stay: _____

- 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 the last 3 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.)? Would you like the CVB staff to assist in blocking rooms and gathering room stay information from the hotels?

- 7. Please list other organization, government entities, sponsorship, individual contributions, and grants that are providing financial support to your project:

8. Please circle the following promotional efforts your organization is coordinating and the amount financially committed to each media outlet:

Paid Advertising _____	Direct Mailing to out of town recipients _____
Newspaper _____	Press Releases to Media _____
Radio _____	Social Media (FB, Instagram, Twitter, etc.) _____
TV _____	
Other _____	

10. Will 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? _____

11. Would you like the CVB staff to negotiate a special rate or hotel/event package to attract overnight stays? _____

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

13. How many individuals will your proposed marketing reach who are located in another city or county? _____

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

Expected Attendance Monthly or Annually: _____

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

Please submit completed application by **Monday August 7, 2017 to:**

Hotel Occupancy Tax Committee
c/o CVB Staff
200 Depot Centre Blvd.
Alvin, TX 77511
Email: cvb@cityofalvin.com