

**HOTEL OCCUPANCY TAX USE GUIDELINES
UNDER TEXAS STATE LAW
THIRD PARTY FUNDING APPLICATION FORM
2009-2010**

The **City of Laredo** collects a Hotel Occupancy Tax (HOT) from hotels, motels, and bed & breakfasts and inns. Under state law, the revenue from the Hotel Occupancy Tax may be used only to directly promote tourism and the convention and hotel industry. Chapter 351 of the Tax Code states that the use of HOT funds is limited to:

- i) **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;
- ii) **Registration of Convention Delegates:** the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants;
- iii) **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;
- iv) **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
- v) **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.
- vi) **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.

City Policy: The **City of Laredo Nonprofit Management and Volunteer Center** accepts applications from groups (nonprofits) whose program fits into one or more of the above categories. All requests for funds should be submitted in writing accompanied by the official application by **5 p.m. Wednesday, April 1, 2009**. The application will be reviewed by the **Third Party Funding Advisory Committee** together with **City Staff** at the earliest possible regularly scheduled 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, the **Third Party Funding Advisory Committee** will make a recommendation to the City Council. The **City Council** will make the final decision on the request.

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 **Laredo**.

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.

Use of Local Vendors: The Third Party Funding Advisory Committee encourages all event organizers to patronize the **City of Laredo** 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. No other outside event(s), project, charity, etc., sponsored by the host organization may profit from the Third Party Funding Advisory Committee's funding of a particular event.

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

Submit complete application to: NO LATER THAN 5 P.M. WEDNESDAY, APRIL 1, 2009

**Gustavo Guevara, City Secretary
City of Laredo
1110 Houston, Third Floor
Laredo, TX 78040**

Application for Third Party Funding 2009-2010

Organization Information

Name of Organization _____

Address _____

City, State, Zip _____

Contact Name _____

Contact Phone Number/Fax _____

Contact E-Mail Address _____

Alternative Contact and Phone _____

Web Site Address for Event or Sponsoring Entity _____

Is Your Organization: Non-Profit 501 C (3) _____

Tax ID # _____ Entity's Creation Date _____

Purpose of Your Organization _____

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 _____

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

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

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

3. _____ **Advertising, Solicitations, Promotional programs to attract tourists and convention delegates** or registrants to the municipality or its vicinity.

4. _____ **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;

5. _____ **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 who substantially increase economic activity at hotels and motels within the city or its vicinity.

Sporting Related Event Funding:

If the event is a sporting related function/facility, how many individuals are expected to participate?

If the event is a sporting related function/facility, how many of the participants are expected to be from another city or county? _____

If the event is a sporting related function/facility, quantify how the funded activity will substantially increase economic activity at hotel and motels within the city or its vicinity?

Historical Narrative (20 points)

Please provide a brief description of your agency's history and background. (one 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

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

Expected Attendance: _____

How many people attending the Event or Project will use Laredo hotels, motels or bed & breakfasts?

How many nights will they stay? _____

Do you reserve a room block for this event 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 or Project with amount of assistance given from Hotel Occupancy Tax and the number of hotel rooms used:

City	Month/Year Held	Assistance Amount	Number of Hotel Rooms Used
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

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

Please list other organizations or government entities and contracts/grants that have offered financial support to your project: _____

Please check all promotional 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 _____

Specify who are you targeting in your advertising and promotion efforts?

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

Expected Attendance Monthly/Annually: _____ (Please note percentage of those in attendance that are staying at Area Hotels/Lodging Facilities) _____

Needs Statement (20 Points)

(one page)

Explain why you are requesting funds from the City of Laredo Third Party Funding.
How does your organization meet the needs of the community?

Agency Budget Description (10 Points)

ALL Revenues

Source	2008/2009	2009/2010 (Estimated)
City of Laredo		
Webb County		
State		
Federal		
United Way		
Foundation Grants		
Donations		
Fundraisers		
Fees and Dues		
Sale of Merchandise		
Investment Income		
Other: (Include any and all other resources awarded & pending receipt)		
Total Revenues		

CITY OF LAREDO FUNDING AS A PERCENTAGE OF TOTAL AGENCY BUDGET _____%

AGENCY'S FISCAL YEAR _____ **TO** _____

Agency Budget Description (10 Points)

ALL Expenditures

Line-Item (actual expenditures)	2008/2009 (Actual)	2009/2010 (Estimated)	To be funded by Third Party Funding
Total Expenditures:			

Goals, Objectives and Measures (40 points)

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.</i> <i>___% or ___#</i>

Attachment Checklist

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

- _____ Board of Directors Roster (1)
- _____ Staff Roster (2)
- _____ \$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
- _____ Constitutional By-laws
- _____ Charter from Secretary of State (Texas)
- _____ IRS 501 (c)(3)
- _____ Annual Audit, Review, or Financial Statement
- _____ Annual Report
- _____ Approved minutes of the most recent board meeting
- _____ 2007 OR 2008 IRS Form 990
- _____ Attended Application Training Workshop

FOR INTERNAL CITY USE ONLY
_____ Complete
_____ Incomplete (explain)

