

**CITY OF TOMBALL
ADMINISTRATIVE POLICIES, RULES AND PROCEDURES**

SUBJECT HOTEL OCCUPANCY TAX GRANT PROCESS	NUMBER: 22	EFFECTIVE DATE: October 5, 2009	PAGE 1 OF 2
	REVISED: October 5, 2009	APPROVED BY CITY MANAGER: October 5, 2009	
	SUPERSEDES: January 19, 2009	APPROVED BY CITY COUNCIL: October 5, 2009	

Guidelines for Expenditures, Requests for Funding, and Reporting

Hotel Occupancy Tax

Chapter 351.002 of the Local Government Code authorizes a municipality, by ordinance, to impose a tax on a person who pays for the right to use or temporarily take possession of a room located in a hotel/motel that is ordinarily used for sleeping. The tax is imposed on the cost of the room itself and is not imposed on the cost of any food served or on any other services provided by the hotel/motel.

The revenue derived from the municipal occupancy tax may only be used to promote tourism and the convention and hotel industry in the community. For a city the size of Tomball and located in a county the size of Harris County, that use is limited to the following:

1. 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. the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants;
3. advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity;
4. 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;
5. historical restoration and preservation projects or activities or advertising and conducting solicitations and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums:
 - a. at or in the immediate vicinity of convention center facilities or visitor information centers; or
 - b. located elsewhere in the municipality or its vicinity that would be frequented by tourists and convention delegates;
6. day-to-day operations, supplies, salaries, office rental, travel expenses, and other administrative costs only if those administrative costs are incurred directly in the promotion and servicing of those authorized expenditures listed in 1-5 above.

Tourists are defined in Chapter 351 as an individual who travels from the individual's residence to a different municipality, county, state, or country for pleasure, recreation, education, or culture. *Tourism* is defined as the guidance or management of tourists.

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Requests for Hotel Occupancy Tax Funding

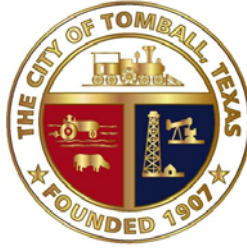
Any organization requesting the use of City of Tomball Municipal Hotel Occupancy Tax funds for an event that qualifies as an authorized use of funds as listed above must complete the “**Application for Use of Hotel Occupancy Tax**” a minimum of 45 days prior to the date of the event. All requests for funding must be approved by the City of Tomball City Council. Only one project may be requested per application. Applications for annual events must be submitted each year. Funding approved in one year does not guarantee funding in subsequent years.

Approved funding will be paid to the requesting organization on a reimbursement basis and will not be paid in advance. The reimbursement paid to the organization will be based on the lesser of the actual costs or the amount originally approved.

Reporting

Subsequent to the event/purpose for which occupancy tax funding was approved, the organization receiving the funds shall submit a full accounting of the event/purpose and specifically highlight the costs to be reimbursed by the hotel occupancy tax. In addition to the financial accounting of the event/purpose, the report shall also include a narrative describing how the event/purpose directly enhanced or promoted tourism and the convention and hotel industry in Tomball as well as the projected number of tourists or convention delegates coming to Tomball as a result of the event/purpose and the basis for the projection. If the event/purpose is one that is ongoing throughout the year, the financial and narrative report shall be updated and submitted on a quarterly basis. Reports shall be submitted to:

Director of Finance
City of Tomball
501 James Street
Tomball, TX 77375
281.290.1417



CITY OF TOMBALL
APPLICATION FOR USE OF HOTEL OCCUPANCY TAX
(Must be submitted no less than 45 days prior to the event)

Applications may be mailed or hand delivered to:

Director of Finance
City of Tomball
501 James Street
Tomball, TX 77375

Applicant Organization: _____

Organization Director: _____

Project or Event for which funding is requested: _____

Date of Event: _____

Description of project or event for which funding is requested: _____

Location of project or event: _____

GRANT AMOUNTS:

Amount Requested for Current Fiscal Year: _____ \$ _____

Amount Received for Previous Fiscal Year: _____ \$ _____

% increase requested over last year's grant: _____%

Organization Budget Summary for Previous Fiscal Year _____

	City Funds	Other Funds	Total
Personnel			
Contracted Services			
Travel			
Rental Expense			
Depreciation/Mortgage	N/A		
Advertising			
Insurance			
Other Expenses			
Volunteer Time	N/A		
Donated Goods/Services	N/A		
Total			

Grants to an organization will not exceed 35% of the organization's adopted budget for the fiscal year shown above.

FUNDS FROM SOURCES OTHER THAN THE CITY OF TOMBALL

<u>Government</u>	<u>Amount of Funds</u>
Local	_____
County	_____
State	_____
Federal	_____
 <u>Other Investors/Contributors</u>	
Individual	_____
Corporate	_____
Foundations	_____
 <u>Fees</u>	
Admissions	_____
Applications	_____
Vendors	_____
Tuition	_____
 <u>Concessions</u>	_____
 <u>Memberships</u>	_____
 <u>Subscriptions</u>	_____
 <u>Other</u>	_____
Total	\$ _____

How many people do you expect will visit Tomball from out-of-town as a result of this project or event?

Explain the basis for your answer to the preceding question: _____

Are attendees for this event or users of this project expected to stay overnight in Tomball hotels or motels? If

you answer to this question is Yes, state the basis for your answer: _____

Organization Contact Name, Title, Address and Phone Number: _____

Contact's Signature: _____

Date: _____



VALIDATION OF APPLICATION

The signatory declares that he/she is an authorized official of the applicant, is authorized to make this application, and certifies that the information in this application is true and correct to the best of his/her knowledge. Signatory further declares that applicant, if previously funded by the City of Tomball, has successfully fulfilled all prior Grant contract obligations.

Signature of Authorizing Official

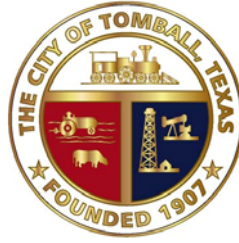
Date

Typed Name

Title within Organization

Telephone

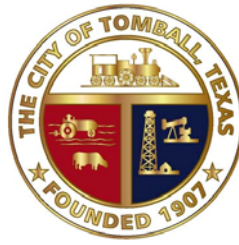
Email address



NARRATIVE QUESTIONS

Please look at the criteria in the grant guidelines when you answer the following questions. **Be specific and give examples.** Answers to individual questions should be as brief as possible and should in no case exceed one page.

1. Describe the history and purpose of the organization.
2. Describe how any grant funds will be used.
3. List the programs and activities for the grant year.
4. Show evidence of growth in community support prior to the grant year. Include the number of performances, exhibitions, audience sizes, services or enrollment. Be sure to include specific information as to the percent of activities taking place within the City of Tomball.
5. How does your project/event qualify for use of Municipal Hotel Occupancy Tax funds as defined in the Hotel Occupancy Tax Guidelines?
6. How do you publicize your activities? How do you evaluate these efforts and what have you done to increase the effectiveness of your marketing efforts?
7. Explain the public benefits to the City of Tomball that will result from your organization's efforts.
8. What is your organization doing to bring visitors to Tomball, to stay in local hotels and otherwise support the hospitality industry?



OTHER REQUIRED DOCUMENTATION

The following information is required to process the grant application:

1. Articles of Incorporation, if applicable
2. Constitution and/or By-Laws
3. If your organization's budget exceeds \$100,000 (exclusive of in-kind) attach a copy of the last independent audit of financial records. If no audit was completed, explain why.
4. Schedule of Board of Directors meetings for the period of October 1 of the current year through September 30 of the following year. Board of Directors meetings must occur at least once per quarter.
5. Resumes of principal staff and artists or relevant job descriptions.
6. **Depending on the nature of the project or event for which grant funding is requested, the organization will obtain a Certificate of Insurance for liability coverage as outlined in the attached Exhibit A. The City of Tomball requires each grantee having an event in the City aimed to attract both residents and tourists to have liability insurance to protect the public for acts by the grantee.** This mandated coverage does not cover the grantee or any of its members. We encourage the grantee to acquire insurance to cover itself and its members as it deems fit. Please see your insurance agent for the local government endorsement. The cost of the local government endorsement may be included as part of your budget to be considered for a grant.

OPTIONAL SUPPORTING DOCUMENTATION

This should be additional material that you wish to attach that further explains the activities of your organization such as:

1. Long Range Plan – 3-5 years
2. One labeled videotape of performance(s), exhibits, workshops, capital project and /or other activities for which City of Tomball grant funds will be utilized.
3. Programs, publicity, articles, reviews, etc.
4. Letters of support from patrons or other organizations in the community.



EXHIBIT A

Organization shall procure and maintain for the duration of the grant agreement, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the services performed or to be performed hereunder by the Organization its agents, representatives, employees, volunteers, officers, directors or sub-contractors.

The organization shall maintain insurance with limits not less than \$500,000 per occurrence, \$1,000,000 aggregate and will be as broad as ISO Form Number GL 0002 (Ed 1/72) covering Comprehensive General Liability and ISO Form Number GL 0404 covering Broad Form Comprehensive General Liability, or ISO Commercial General Liability coverage ("occurrence for CG 0001). Coverage will include: A) Premises – Operations; B) Broad Form Contractual Liability, C) Broad Form Property Damage and D) Personal Injury.

The policy will be endorsed to contain the following provisions: The City, its officials, employees, volunteers, Boards and Commissions are to be added as "Additional Insured" in respect to liability arising out of any activities performed by or on behalf of the Organization. The policy shall contain no special limitations to the scope of coverage afforded to the City. The Organization's insurance shall be primary and any insurance or self-insurance shall be in excess of the Organization's insurance and shall not contribute with it. Certificate must include a waiver of subrogation as regards to the workers compensation policy. If your organization has no employees, and therefore does not carry workers compensation insurance, you must provide to the City of Tomball a letter stating that you have no employees and therefore do not carry workers compensation insurance.

Insurance shall be placed with insurers with an A.M. Best rating of no less than A:VI or a Standard & Poor rating of A or better.

The Organization shall furnish the City with a certificate of insurance which shows the coverage provided. The insurance policy will be endorsed to state that coverage shall not be suspended, voided, canceled, non-renewed, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.