

City of Conroe

Hotel Occupancy Tax Grant/Sponsorship Funding

Application Packet
FY 2022-2023



Presented by the
Conroe Convention & Visitors Bureau

300 West Davis Street, Ste 520
Conroe, TX 77301
936-522-3500

Funded through City of Conroe Hotel Occupancy Tax Revenues

Application Cycle Overview:

APPLICATION DEADLINE

- All complete applications are due in the CVB Office a minimum of 90 days in advance of your event.

APPLICATION PROCESS

- Each application will be vetted by Visit Conroe staff, run through Destination International's Event Impact Calculator to determine potential ROI, and evaluated to ensure legal use of Hotel Tax as mandated by the State of Texas
- Visit Conroe staff will present recommendation to the Tourist Advisory Council who will ask questions, make recommendations and provide input.
- Presentations by grant/sponsorship applicants **will be by request of Tourist Advisory Council only; not all applicants will need to present**
- Your organization will be notified of your grant/sponsorship amount and terms. Visit Conroe will let you know next steps in the process at this time.
- Disbursement of grant funds upon receipt of post analysis with supporting documentation of fund usage and marketing compliance
- Disbursement of sponsorship funds may be paid in advance or post event based on input from Tourist Advisory Council

QUESTIONS OR ASSISTANCE WITH THE GRANT/SPONSORSHIP APPLICATION

- Visit Conroe staff will make themselves available should anyone have specific questions or want a review of their application. Simply contact Visit Conroe at 936-522-3500 or info@visitconroe.com to schedule a date and time to meet.

Below is an excerpt from the Texas Tax Code. This leads all decisions regarding Hotel Occupancy Tax. Please refer to it in all decisions you make regarding the CVB Grants. This packet was designed to establish guidelines to apply to all tourism-related events and entities requesting funding from Hotel Occupancy Tax. There are stringent requirements in the Tax Code regulating the expenditure of Hotel Occupancy Tax. This application packet applies to Section 351.101: 3 & 5 below.

Tax Code – Use of Revenue

§ 351.101. USE OF TAX REVENUE.

(a) Revenue from the municipal may be used only to promote tourism and the convention and hotel industry, and 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;

(6) for a municipality located in a county with a population of one million 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.

(b) Revenue derived from the tax authorized by this chapter shall be expended in a manner directly enhancing and promoting tourism and the convention and hotel industry as permitted by Subsection (a). That revenue may not be used for the general revenue purposes or general governmental operations of a municipality.

§ 351.108. RECORDS.

(a) A municipality shall maintain a record that accurately identifies the receipt and expenditure of all revenue derived from the tax imposed under this chapter.

(b) A municipality or entity that spends revenue derived from the tax imposed under this chapter shall, before making an expenditure, specify in a list each scheduled activity, program, or event that:

(1) is directly funded by the tax or has its administrative costs funded in whole or in part by the tax; and

(2) is directly enhancing and promoting tourism and the convention and hotel industry.

(c) If a municipality delegates to another entity the management or supervision of an activity or event funded by the tax imposed under this chapter, each entity that is ultimately funded by the tax shall, before making an expenditure, specify in a list each scheduled activity, program, or event that:

(1) is directly funded by the tax or has its administrative costs funded in whole or in part by the tax; and

(2) is directly enhancing and promoting tourism and the convention and hotel industry.

Overview of Grant Funding

APPLICATION QUALIFICATIONS & FUNDING GUIDELINES

- All applicants must be within Conroe City limits. All Shows, Special Events, Convention or Tournaments must be held in Conroe, TX or the event coordinator(s) must be able to demonstrate to the Tourist Council Board how it will increase Hotel Occupancy Tax in Conroe.
- Applications must be filled out completely and accurately. The Tourist Council reserves the right to reject any incomplete, inaccurate or otherwise unclear application.
- Application must include a detailed marketing plan for which grant money will be designated.
- Requests for sponsorships need to include full sponsorship package options offered by the event
- The requesting organization must provide a projected event budget that includes all expected revenues and expenses. This report needs to be generated through an accounting software program such as QuickBooks, TurboCASH or Money Manager. A printed report must be submitted with the application. See Grant Application Financial Summary Form, pg. 11 for more specific information.

LIMITS ON FUNDING

- The maximum amount of funding that an organization can apply for is \$20,000 per year.
- As a rule, ***the requested amount should not exceed 25% of the total expected revenue.*** The purpose of this funding is to assist the marketing of special events and branding the city of Conroe as a sponsor, not to be a patron of either the event or the fundraising beneficiary.

RULES PERTAINING TO MARKETING

For Special Events (festivals, trade shows and other programs open to the public) receiving Grant Funding – the majority must be used for marketing through purchasing advertising space and must be matched by the organization with a minimum of equal marketing dollars.

- Legitimate media must be utilized IN ADVANCE of the event (examples include Social media, direct mail, postage, newspapers, magazines, radio, television, billboards, newsletters, brochures and other collateral material).
- Only funds spent on the **purchase** of ad space/ placement should be counted towards the requirement (and 25% match)
- Money spent towards the creation of marketing materials or management of marketing (photography, graphic artist, creative services, PR firms or ad agency fees) does not go towards the requirement (and 25% match)
- The purpose of the funding is to assist your organization in attracting audiences from outside of the Conroe region

**The Tourist Council has the authority to specify how the Grant Funding should be spent by the applicant during the application process.

ACCEPTABLE USE OF AWARDED HOTEL OCCUPANCY TAX (HOT) FUNDS

- Grant money awarded is distributed from the City's Hotel Occupancy Tax Fund and must be used in accordance with the law: ***By law, the use of Hotel Occupancy Tax dollars is to bring visitors to the community that will spend the night, thus increasing occupancy in Conroe hotels (Conroe Hotel Occupancy Tax).*** Refer to page 3 of this packet for additional information, specifically Section (4) or (5) of the Hotel Occupancy Tax Code. (Tax Code, Section 351.101)
- If you have questions about acceptable use of Hotel Occupancy Tax Grant money, please contact the Visit Conroe office.

Texas law establishes a “two-part test” for the allocation and spending of hotel occupancy revenue funds. Any project, activity, or organization must meet **both** criteria of the test in order to legally receive HOT funding.

1. **Criteria I:** EVERY expenditure must DIRECTLY enhance and promote tourism AND the hotel and convention industry.
2. **Criteria II:** Expenditures must fall into one of the following categories:
 - a. Paying the establishment, improvement, maintenance or administrative costs for facilitating a convention or registrations
 - b. Paying for advertising, solicitation, and promotional programs that attract tourists and convention delegates to the city or vicinity
 - c. Expenditures that promote the arts
 - d. Funding historical restoration and preservation programs or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums
 - e. Funding costs to hold sporting events that substantially increase hotel activity
 - f. The enhancement or upgrading of sports facilities or sports fields
 - g. Funding transportation systems for tourists
 - h. Wayfinding signage

PROJECTS NOT FUNDED

- Social functions, parties, receptions and general hospitality for non-visitors
- Projects involving academic credit
- Expenses for privately owned facilities
- Travel Fees including lodging, transportation, etc. for staff or performers
- Capital bricks and mortar or commercial projects (except for historic restoration)
- Retroactive Funding
- Direct funding to individuals, payment for administrative or staff fees
- Activities that are illegal or in violation of federal, state, or local laws
- More than 10% of grant used for media advertising in local areas such as Houston, Conroe, The Woodlands, Magnolia, Willis and Montgomery
- Fees related to the services of event talent (i.e. bands, artists, security, etc.)
- Merchandise to giveaway or sell at the event (i.e. t-shirts, pins, etc.)
- Brochures or literature to distribute at the event

REQUIRED DOCUMENTATION OF ACTUAL EXPENSES FOR GRANTS

- ***Reimbursement for Grants will be based on documentation of post event reports including actual invoices, receipts, and proof of payment.***
- The final accounting of funds will be compared to the media plan and must mirror the items outlined in the application or show equivalent marketing efforts.
- The Post Event Analysis, including supporting documentation of acceptable reimbursable expenses and hotel night tracking, is due to the CVB within **60 days** of the season/ event end. **FAILURE TO DO SO WILL AUTOMATICALLY DISQUALIFY YOUR ORGANIZATION FOR ONE GRANT CYCLE**, and reduce or eliminate the amount authorized for reimbursement

TRACKING ROOM NIGHTS DURING EVENT

- ***It is the responsibility of the event to monitor the number of out-of-town guests who stay in Conroe lodging properties.*** We strongly recommend working with the hotels to ensure proper tracking.
- Stated room nights generated will be subject to an audit by Visit Conroe staff.
- Should you have any questions about how to track room nights for your event please ask the Visit Conroe Staff.
- ***Please note that room nights generated in The Woodlands and other surrounding areas do not fulfill the requirements of the state law and will not be credited to your event. Only room nights generated at the hotels listed on the Conroe Lodging Directory (page 15) fulfill the room night requirement.***

Grant/Sponsorship Funding Checklist

Name of Event _____

Amount Requested (or Sponsorship Levels) _____

Previous Years Held _____

Please initial on the line provided below to acknowledge that you fully understand and will comply with the statement being made.

_____ The event “directly enhances and promotes tourism AND the convention and Hotel industry.”
(Tax Code, Section 351.101)

_____ For this specific Application Cycle, you must qualify AT LEAST ONE of the following categories
(Tax Code, Section 351.101):
(Please circle the applicable category number you are applying under)

Section (2) the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants.

Section (3) advertising, solicitations and promotions that attract tourists and convention delegates to Conroe or its vicinity.

_____ The application is filled out thoroughly and completely.
(Pages 8 - 14 should be attached to this sheet, along with all supporting documentation)

_____ The required event financial summary report is included with your application.

_____ The request for funding is in accordance with the maximum funding guidelines.

_____ The Post Event Analysis and proof of payment for last year’s event have been previously submitted.

_____ It has been determined and explained how the event will track out-of-town guests staying in Conroe hotels, demonstrating that the event will attract tourists that will support the convention and hotel industry. The tracking plan must be provided to Visit Conroe with application packet.

_____ For sponsorship applicants – a copy of Sponsorship Level Options is included with application.

For Internal Use

Documents verified by: _____ Date: _____

New and Returning Event Application

2022-2023 Application

Event / Sponsoring Organization Information

Organization
Event Name
Event Start Date Event End Date
Event location
Estimated attendance
Estimated number of room nights
Number of years event has been held in Conroe

Contact Information

Event Coordinator
Coordinator Street Address
Coordinator City/State/Zip
Coordinator Daytime Telephone Coordinator Alternate Telephone
Coordinator E-Mail
Second Event Coordinator (<i>different contact</i>)
Second Coordinator Street Address
Second Coordinator City/State/Zip
Second Coordinator Daytime Telephone Second Coordinator Alternate Telephone
Second Coordinator E-Mail

Event Projections

Expected Attendance: _____ Expected # of Hotel rooms needed per night? _____
For how many Nights _____ Total Project hotel nights _____
Total expected attendance: _____
Expected attendance of local Montgomery County Residents: _____
of expected attendance from outside of a 50 mile radius: _____
Is this a ticketed event? Yes or No
What is the price of ticket? _____

****Skip this section if this is a new event****

Last year's Total Attendance: _____
% of local: _____
% of out of town: _____
How was this data collected?

Repeat Events Only: Event Modifications/ Improvements

Please describe any changes/ improvements to the event from previous years (example: adding an additional day, new entertainment options, partnership with hotels, etc.). What will assist in growing attendance?

Tracking Plan (Out of Town Guests)

Please provide a specific plan for tracking out of town guests.

Event Marketing Plan

Amount of available marketing funds from your organization (do not include requested grant funds).
Detailed Marketing Plan: Provide an itemized plan for marketing including projected cost.

Applicant Event Financial Summary Example

A report from your organization that conveys event specific budget information must be included with your application.

This form does not take the place of an event budget report; this is a basic breakdown to provide an overview of the necessary information to be submitted by any organization applying for the grant.

Income Sources:		Expenses:	
Ticket Sales		Marketing in Conroe	
Merchandise		Marketing outside Conroe	
Auction Items		Facility/ Event Site	
Sponsorships		Talent	
Donations		Merchandise	
Membership fees		Contracted Services	
Other:		Other:	
Total:		Total:	
Estimated Profit:			

Recognition and Marketing Agreement

	1. Must agree to recognize Visit Conroe/City of Conroe as a funding source/sponsor on all digital and printed materials, radio, TV, and website.
	2. Must provide a visual link to the Visit Conroe website (visitconroe.com) on your event/organization's website.
	3. If your event includes a program, space must be made available to Visit Conroe for an ad or welcome letter.
	4. Must allow Visit Conroe the option to have a Welcome Booth or provide information at the Entrance or Registration of your event.
	5. Ticketed events may be required to provide complimentary tickets to Visit Conroe for marketing and evaluation purposes. (amount to be determined)
	6. Must agree to turn in receipts, media purchases, cancelled checks, and tear sheets or evidence from purchases to substantiate grant funds used if requested.
	7. If the event or season is canceled due to events beyond the grant recipient's control a partial payment may be made in lieu of full funding. Only those payments made in an effort to promote the event/ season will be eligible for reimbursement, and then only with sufficient documentation provided with the post analysis within 60 days of the planned completion date of the event/ season.

**Please initial each item above

Promotion of your Event by the CVB

In addition to the Special Grants awarded, Visit Conroe will work with you to include your event(s) or organization in our in-house marketing plan including but not limited to:

1. You may post your event(s) on the Visit Conroe website (www.visitconroe.com) calendar. Your event(s) may be posted on a free "ad" on our website prior to the event. If multiple events fall at the same time as your event, the ad space will need to be shared to accommodate everyone. Visit Conroe reserves the right to make all decisions regarding when ads will be posted.
2. Visit Conroe will also include the event(s) in various publications' event calendars such as Texas Highways, Texas Events Calendar, and more, if available.
3. Visit Conroe will distribute "mini-fliers" for your event(s) on your behalf at trade shows and other events attended by CVB staff prior to your event if provided by you.
4. If you do not have a website, Visit Conroe can create a listing or a landing page for your event(s) on the Visit Conroe website. If you are interested in this option, please notify the Visit Conroe as soon as possible to discuss your page. These pages are designed by Visit Conroe staff and have limited functionality, but it is a good way to provide information online about your event.
5. Your event(s) or organization will be marketed through all Visit Conroe social media appropriate for your specific event including Facebook, Twitter, Pinterest, Instagram, YouTube, blog and may include sponsored posts for added exposure.

The CVB is happy to promote your event or organization for you. However, no one knows your event or organization like you do. Please provide the following to the CVB as soon as possible to assist us with promoting:

1. High resolution photos: your logo, any pictures you would like to provide to market your event.
2. Marketing copy. The more you can sell the event or organization in the copy, the better.
3. At least 200 copies of any marketing materials (brochures, fliers, etc.) for your event or organization as soon as they are available.

I, _____ (name), understand the purpose of the hotel occupancy tax and special event funding as detailed in this document. I agree to meet or exceed the requirements detailed in this document should my organization be awarded a special events funding grant. The above information in this grant application is accurate and true to the best of my knowledge. I/We have read and understand the above (7) Recognition and Additional Requirements (where applicable) must be fulfilled, and failure to do so will cause the organization to potentially not receive full or partial funding this year and in future years.

Authorized Signature

Date

Print name

Organization/Title/Responsibility

Post Event Analysis

Due 60 Day after the event

It is mandatory to submit this completed form to Visit Conroe along with supporting documentation.

Supporting documentation includes, but may not be limited to event photos, event literature (ads, posters, brochures, programs), receipts, media purchases and cancelled checks to match, and tear sheets or evidence from purchases to support reimbursement by CVB for HOT compliant spending.

Event Information

Event/Organization Name
Event Date(s) / Description of Organization (please attach or include details, programs, samples of advertising, etc)

Funding Analysis

Total amount spent on marketing:
Total amount spent on marketing outside of Conroe area: (Please attach invoices, receipts or other proof of payment).

Event Final Outcome

Attendance	Revenues	Hotel Room Nights*	Profits
How was this data collected?			

* Subject to audit

The above accounting of our Special Event Funding is accurate and true to the best of my knowledge.

Authorized Signature _____ Date _____

Print name _____ Title/Responsibility _____

Return this form, supporting documentation and check (if applicable) no later than sixty (60) days following the event to the Conroe CVB, 505 West Davis St, Conroe, TX 77301. Attach all printed marketing, screen captures of online marketing, press releases, radio/TV scripts, and a copy of every piece of marketing your organization purchased with the funds granted. If you have any questions, please contact Visit Conroe at 936-522-3500 or info@visitconroe.com.

Conroe Lodging Directory

These hotels pay dollars to the City of Conroe. Therefore, grant money should be used to increase their hotel occupancy. Managers may be willing to post a coupon on the CVB website for your event.

<p>Homewood Suites 3000 I-45 N Conroe, TX 77303 936-703-6000</p>	<p>Fairfield Inn & Suites by Marriott 3010 I-45 North Conroe, TX 77303 936-756-3040</p>	<p>Scottish Inn and Suites 1105 League Line Road Conroe, TX 77303 936-701-5260</p>
<p>Baymont Inn & Suites 1506 I-45 South Conroe, TX 77304 936-539-5100</p>	<p>Hampton Inn & Suites 2242 Stoneside Road Conroe, TX 77303 936-539-1888</p>	<p>Springhill Suites by Marriott 16520 I-45 South Conroe, TX 77384 936-271-0051</p>
<p>Best Western Lake Conroe Inn 14643, Hwy 105 Montgomery, TX 77356 936-588-3030</p>	<p>Holiday Inn Express Hotel & Suites 2240 Stoneside Road Conroe, TX 77303 936-788-5200</p>	<p>Super 8 1000 Cable Street Conroe, TX 77301 936-494-2280</p>
<p>Comfort Inn 1115 League Line Road Conroe, TX 77303 936-890-2811</p>	<p>La Quinta Inn & Suites 4006 Sprayberry Lane Conroe, TX 77303 936-228-0790</p>	<p>Super 8 Montgomery 201 Mesa View Montgomery, TX 77316 936-588-2886</p>
<p>Hyatt Regency Conroe 1001 Grand Central Pkwy Conroe, TX 77304 936-444-4454</p>	<p>Margaritaville Lake Resort 600 Margaritaville Pkwy Montgomery, TX 77356 936-448-4400</p>	<p>Woodspring Suites Conroe 2551 I-45 South Conroe, TX 77304 936-788-2300</p>
<p>Days Inn & Suites Conroe 4001 Sprayberry Lane Conroe, TX 77303 936-890-2600</p>	<p>Motel 6 820 I-45 South Conroe, TX 77304 936-760-4003</p>	<p>Towneplace Suites by Marriott 1017 Outpost Dr Conroe, TX 77304 936-267-2500</p>