

# FLAGLER COUNTY TOURIST DEVELOPMENT COUNCIL



## Fund 109 Capital Project Funding Program (CPFP) Guidelines

APPROVED AND ADOPTED BY BOCC  
JANUARY 13, 2020

Flagler County Tourism Development Office  
120 Airport Road, Suite 3  
Palm Coast, FL 32164

## **GUIDELINES**

### **BACKGROUND**

Flagler County currently collects a five percent (5%) Tourist Development Tax (TDT) on all overnight tourism accommodations in the County. This tax is levied on customers of hotels, motels, condominiums, campgrounds, apartments, and private homes that rent accommodations for less than six (6) months in duration. The Tourism Development Council (TDC) and the Board of County Commissioners (BOCC) recognize the importance of capital projects for the advancement of tourism and authorizes twenty (20%) percent of the total annual revenues to be assigned to capital projects in accordance to FL Statute 125.0104.

The Capital Project Funding Program (CPFP) has been established by the TDC and approved by the BOCC and will operate on a two (2) year funding cycle or as otherwise approved by the BOCC. Before the Tourism Development Council (TDC) initiates a funding cycle, the BOCC may approve and establish a total pool of capital funding dollars available to fund projects for that CPFP funding cycle. These guidelines were developed to establish criteria to determine eligibility and define the application process, award criteria, and priorities.

The goals and objectives for the use of TDT for capital projects is to: 1) ensure compliance with Florida TDT statutorily allowed uses, 2) support facilities that raise the community's profile and enhance the County's economy including the vital tourism industry to attract events that bring overnight visitors, and 3) provide partnership funding to facilities that best use the TDT funding to deliver the proposed economic and/or promotional benefits.

The CPFP guidelines are hereby further established to help prioritize and process requests for capital projects funding. The CPFP Application is a tool to evaluate the likelihood that proposals will be able to best achieve the goals for TDT funded facilities.

It is the intent of the TDC to recommend funding as provided herein to eligible capital projects as determined to be in the best interest of Flagler County tourism. There are no guarantees that applicants will be awarded funding. In addition, even though a project may qualify, limited funds may not allow all projects to receive assistance. Decisions regarding the award of funds are at the sole discretion of the TDC and BOCC.

### **ELIGIBILITY**

- A. One application per organization per funding cycle using a single application, for the project, site, or phase. Applicant that was previously awarded capital funding, must complete the Project Completion Report for the previous project before submitting a new application.

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Applicant must be either:

- A local government organization (county, municipality, school board) located in Flagler County, or
- An organization that is a not-for-profit and open to the public located in Flagler County.

B. Project funds may be used to acquire, construct, extend, enlarge, remodel, repair, or improve Capital Projects as authorized in Section 125.0104, Florida Statutes.

C. Applicants must contribute a cash match in a minimum ratio of one dollar matching funds to one dollar CFPF funds (1:1). Matching Funds may not include grants from other State or local Governments.

D. Above all else, applicants must demonstrate the tourism economic benefits of the Capital Project. The TDO will utilize a Capital Project Impact Model based on the information submitted in the application. The TDC and the County reserve the right to determine compliance with the economic impact requirements and/or the validity of the findings. For projects requesting \$1,000,000.00 or more, applicant must include an independent Economic Impact Study with their application. The study shall at a minimum apply the methodologies, satisfy the requirements, and address the findings specified by the County. Failure to provide an independent Economic Impact Study will automatically disqualify a projects application for review. The study shall be completed at applicant's sole cost. *See separate Economic Impact Study Requirements document.*

E. Capital Project completion timelines may not exceed one (1) year from execution of CFPF funding award agreement with the County. If the Capital Project is scheduled to be completed more than one (1) year out from initial BOCC approval, applicant must complete a written interim progress report on a form approved by the TDO, which will include the status of the project, expenditure documentation and other pertinent details concerning the project to appear before the next scheduled TDC meeting and/or BOCC meeting with an updated project timeline for approval.

F. For leased property, the following will govern the Capital Project scope and the lease period required to be eligible for funding:

<u>Project Scope</u>	<u>Minimum Number of Remaining Years on Lease Period at Time of Application</u>
Building renovation, improvement	20 years
Building expansion	30 years

Building construction on leased land

50 years

## **FUNDING**

Tourist Development Capital Project Funding must not be the sole source of revenue for a capital project. Tourist Development Capital Project Funding is intended to assist an organization with a portion of capital expenditures. Tourist Development funds will not exceed fifty percent (50%) of the total project budget.

An explanation of how funds will be utilized, including an itemized Capital Project budget will be required.

Representatives of the organization submitting an application for Capital Project Funding are required to make a presentation at the TDC and the BOCC meetings.

The applicant will be officially notified of the BOCC's final decision including the total approved amount of funding.

Successful applicants will be required to enter into a Funding Agreement with the County setting forth the terms, conditions, timelines, and deliverables associated with receiving TDT funding from Flagler County.

Capital Project Funding recipients will be reimbursed for eligible expenditures as authorized by the Funding Agreement.

## **EVALUATION CRITERIA**

Applications will be initially reviewed by the tourism development staff to ensure statutory eligibility and compliance with the requirements of these Guidelines. A total of twenty (20) points can be earned and any applications with a score less than fourteen (14) points will be deemed ineligible.

Criteria that will be utilized to evaluate these funding requests include:

- Return on Investment of TDC Funds
- Results from Capital Project Impact Model
- Results from Tourism Economic Impact Study (if applicable)
- Useful Life of Project
- Planning and Readiness of Project Commencement
- Frequency of Use/Primary Purpose to Promote Tourism
- Applicant Contribution or Match
- Stability & Management Capacity
- Soundness of Proposed Project
- Detailed Financial Projections Demonstrating Solid Business Fundamentals

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- Quality & Uniqueness of Proposed Project
- Marketing Plan to Draw Overnight Visitors
- Applicant's Commitment to Flagler County Tourism

**SCORING**

1. Annual Tourism Economic Benefit of the Capital Project for a period of five (5) years after project stabilization. 7 points
  - a.) Capital Project Impact Model Results OR
  - b.) Independent Economic Impact Study Results, and
  - c.) Frequency of Use/Useful life of Project
2. Feasibility of Proposed Project 5 points
  - a.) Has clearly identified mission, goal and objectives
  - b.) Planning and readiness of Project
  - c.) Has detailed financial projections demonstrating solid business fundamentals
  - d.) Project stability and management capacity
  - e.) Would not take place without TDC assistance
3. Quality and Uniqueness of Proposed Project 5 points
  - a.) Provides a benefit to Flagler County
  - b.) Does not duplicate existing facilities or projects
4. Commitment to the Expansion of Flagler County Tourism 3 points
  - a.) Will be marketed to the fullest extent possible (Overall Marketing Plan)
  - b.) Will offer recreational, cultural and entertainment events to Flagler County Residents & Visitors
  - c.) Demonstrates a willingness of the Applicant to work with the tourism industry

**ELIGIBLE GRANT PROJECT EXPENDITURES**

Only those projects that would generally support the growth of tourism in the County by providing funding for the expansion/enhancement of tourism infrastructure or added capacity will be awarded a grant. There are activities that expand community awareness, but which have a limited impact on tourism. **The primary focus of the CPFPP must be on the growth of tourism in the County.** Some examples of projects that expand community awareness, but have limited potential to impact tourism include, but are not limited to, beautification projects, maintenance replacement, and operational costs.

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Examples of Eligible Grant Projects/Expenditures, include but are not limited to:

- Construction/creation of new tourism facilities.
- Expansion/Enlargement of an existing tourism facility's capacity for the portion related specifically to the expansion.
- Modification of an existing venue/facility to make it into a tourism facility.
- Restoration of a historic structure for tourism purposes.
- Enhancement of a tourism facility to add capability to the facility/venue that will expand the tourism offering.

Examples of Non-Eligible Grant Projects/Expenditures include but are not limited to:

- Sales tax.
- Resale items that will be sold for a profit.
- Travel expenses.
- Private entertainment, lodging, food or beverages.
- Expenses incurred or obligated to prior to or after the project.
- Advertising and/or promotional materials for project or events.
- Payments for goods or services purchased for previous or other projects.
- Payment for alcoholic beverages.
- Routine maintenance and operating expenses.
- Any other expenses that are not allowable under Florida Statutes.
- Past expenditures (i.e., prior to award of the grant by the Board).
- Signage.
- Normal operating repairs/maintenance.
- Expenses of a similar nature as interpreted by the Tourist Development Executive Director.

The Flagler County Tourist Development Council will not fund past expenditures (i.e. prior to award of the grant by the Board of County Commissioners). Funding is available for forthcoming projects only. Funding must be approved by the Board of County Commissioners. *All grantees must use the Tourist Development Logo, including the url: [www.visitflagler.com](http://www.visitflagler.com) on all materials, unless waived by the TDC.*

### **DISBURSEMENT**

To receive disbursement of eligible funds, a Reimbursement Request Form **must be submitted within 60 days** following the completion of the project for qualified expenditures that have been incurred by the organization. The Reimbursement Request Form must be signed by an authorized agent of the Organization and include all paid invoices, cancelled checks, or other backup information to substantiate payment. Failure to submit request correctly will delay payment. Disbursement shall only be made to the organization. Third party reimbursement is not accepted.

## **ACKNOWLEDGEMENTS**

For projects funded in part by this grant, the applicant/facility operator must acknowledge Flagler County Government and the Tourism Development Office in all future signage and media, including digital communications and websites and programs, publications and other printed materials.

Acknowledgment will include the TDO's designated logo as best suited to the collateral design, and at a size that is legible.

Verbiage for acknowledgment is as follows: "This project is funded in part by Flagler County Government Tourism Development Office".

Requests for exceptions to the verbiage or logo compliance may be approved if noticed to TDO in advance of publication deadline.

All members of the TDO, TDC, and BOCC shall be invited to attend any special opening ceremony or ribbon cutting event.

Acknowledgement to Flagler County and the TDO must be commensurate with the recognition provided to other contributors and sponsors of the project on any permanent sign constructed on the project site.

## **REPORTING REQUIREMENTS**

**Project Status Reports:** Quarterly reports must be submitted to provide information on the capital project.

- These reports are due on the 1st day of each calendar quarter or as determined by the TDO Director.
- The report should contain a brief narrative summary providing updated information on the capital project, including financial status report for the project, planning and construction related activities.

**Project Completion Report:** Within ninety (90) days of the completion of the capital project, the recipient must summarize its efforts by providing the following information:

- A brief narrative summary of the successful completion of the capital project.
- An evaluation of the economic impact the capital project has initially had on Flagler County.
- A financial statement listing all of the revenues received and expenses paid in the course of the development and completion of the capital project that clearly defines how and where the funds were used.
- Photographs or video of the capital project and any related events, including time lapse images of the construction.

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- Samples of flyers, newspaper ads, brochures or marketing efforts utilized to attract tourists the first 120 days. This may include a list of radio stations, magazines, etc.
- If events have been held since completion of the capital project The Project Completion Report should also include:
  1. Results of visitor survey's to capture if any local attractions, restaurants or tourism businesses were visited as part of the events.
  2. Final documented, or if unable to provide actual numbers, estimated number of event participants.
  3. Room Night Certification Form — the organization must make every effort to obtain the number of overnight stays from local hotels within the county that housed those attending the event. This means that for events requiring registration, the recipient should make available a list of County hotels and encourage overnight stays. For those events that do not require registration, information should be provided to encourage an overnight stay. After the event, the recipient will be required to request that the hotel provide information regarding the number of individuals residing at the hotel as a result of the event.

**Project Impact Reports:** All applicants are expected to track visitors to establish the tourism impact of the completed project. No later than January 30th and July 15th of each calendar year after completion of the capital project for a term of three (3) years, the recipient shall provide TDO staff with a detailed report of all events that have taken place as a result of the completion of the Tourist Development Capital Projects funded project. These Project Impact Reports shall include survey results from the attendees of the events. These surveys shall at a minimum provide information pertaining to the number of persons attending the event and the number of nights stayed. Additionally, the recipient shall provide Room Night Certification Forms for each event held at the Tourist Development Capital Projects funded facility for the same 3 year term or as determined by the Executive Director.

**NOTE: IF THE EVENT RESULTS IN NO OVERNIGHT HOTEL STAYS, OR FEW OVERNIGHT HOTEL STAYS, THE RECIPIENT MUST DOCUMENT ITS EFFORTS TO PROMOTE OVERNIGHT HOTEL STAYS AND OTHER OPPORTUNITIES WITHIN FLAGLER COUNTY.**