

TOURISM CAPITAL INVESTMENT FUND

An initiative of the Hotel-Motel Tax Board of St. Joseph County

Overview

In 2021, with the enabling of legislation increasing the Innkeepers Tax rate in St. Joseph County (SJC), a tourism capital investment fund (TCIF) was created utilizing one percent of the annual Innkeepers Tax collections in SJC. The Innkeepers Tax Rate is eight percent in SJC and the TCIF is funded by one percent of this eight percent tax. The TCIF was established for the purpose of investing money in projects that aim to enhance and expand tourism in St. Joseph County. The board of managers from the Hotel-Motel Tax Board of SJC shall administer the fund, utilizing an application process that provides applicants with an opportunity to acquire leveraged investment money.

TCIF Parameters

The board of managers has established a point scoring system that scores each application based upon a project's likelihood of successfully enhancing and expanding tourism in SJC. TCIF money will be awarded on a sliding scale in proportion to a project's direct ability to generate overnight lodging in the hotel-motel industry of SJC.

TCIF Criteria

As mandated by Indiana Senate Enrolled Act #164, when reviewing an application, a review committee and the board of managers will consider the following criteria:

- A project's direct ability to generate overnight lodging in the hotel-motel industry of SJC.
- A project's overall economic impact on the SJC community, including the project's ability to complement existing attractions or tourism opportunities.
- The scale of the project.
- The need for a particular project in SJC.
- The established or estimated timeline of a project, including the proposed date that a project will be completed.
- The potential for a project to provide sustainable and long-term benefits.
- The estimated number of visitors the project will bring to SJC.
- Whether an applicant is a public-private partnership or a nonprofit organization.

Additional Requirements

As mandated by Indiana Senate Enrolled Act #164, to be eligible for TCIF money, an applicant must submit the following:

- The applicant must demonstrate to the board of managers/review committee that the applicant has the capability of securing an amount of the applicant's own source revenue that must be an acceptable proportion to the board of managers/review committee to the amount of money requested in an application.
- A thorough plan for the project, including a detailed analysis that demonstrates the projects strengths, weaknesses, opportunities and potential hindrances.
- A project's goals and plan to achieve those goals.

- An overall market analysis, including the target market and expected visitor attraction.
- Plans to market and promote a project.
- Proposed budget for a project, including identifying potential funding sources or partners.
- Proposed benefits expected from a project, in addition to forecasted visitor attraction, so that the board of managers/review committee may determine whether a project proposes a sustainable and long-term benefit.
- Any feasibility study completed to determine the need, opportunity, scope, and impact of a project.
- A list of all owners, equity partners, or significant operating partners affiliated with a project.
- Applications must involve a local unit of government or nonprofit organization as a partner.
- Applications may NOT include project maintenance or administrative expenses.

Eligible Applicants

As mandated by Indiana Senate Enrolled Act #164, a project that develops, expands, or improves the following may qualify for funding:

- A sports venue
- A convention facility
- An arts venue
- A tourist attraction
- A park
- A college or university

Additional Eligibility Requirements

As mandated by Indiana Senate Enrolled Act #164, the following must be in place prior to TCIF money is awarded:

- A mutual agreement between the board of managers and the applicant that the applicant's own source of revenue is in place.
- A mutual agreement to refund a percentage of TCIF money if the project is discontinued.

Application Process

Applications should include all information listed in this document as mandated by Indiana Senate Enrolled Act #164. Additional information needed includes:

- Project lead and contact information
- Proposed timeline for project
- Project renderings and supporting illustrations as available

Application Submission and Evaluation

- Application deadline is May 31.
- Application review period is June 1 – August 15 and will include follow-up meetings as applications are reviewed and scored.
- TCIF award can be distributed over multiple years depending on scale of project application and amount requested/recommended.

- Successful applications will be submitted to the entire Hotel-Motel Tax Board for recommendation and approval at the Q3 meeting of the board of managers in late August.
- Successful recipients will be asked to attend this meeting and provide brief remarks about their project before final vote on approval.
- Visit South Bend Mishawaka will serve as TCIF administrative liaison upon notification of successful application.

Application Scoring Criteria

PARAMETERS	POINTS
Direct ability to generate overnight lodging in the hotel-motel industry of SJC.	35
Overall economic impact on the SJC community, including the project’s ability to complement existing attractions or tourism opportunities, and estimated number of visitors the project will bring to SJC.	15
Scale of the project including any feasibility study completed to determine the need, opportunity, scope, and impact of the project.	10
Need for project in SJC should be clearly communicated, including a thorough business plan, with a detailed analysis that demonstrates the project’s strengths, weaknesses, opportunities and potential hindrances.	10
Established or estimated timeline of project, including estimated completion date.	10
Funding needs, mechanisms, and amounts (in addition to TCIF), identified and detailed, including project’s ability to proceed with potentially a partial amount of requested funds.	10
Public-private partnership and/or nonprofit organization; identification of all partners involved in project collaboration presented in a thorough and easily understood application document.	10
TOTAL	100

- **ALL APPLICATIONS ARE FOR CAPITAL PROJECTS ONLY. No exceptions.**
- Applications must score a minimum of 70 points to be considered for funding. Review committee has full discretion to fund or not fund projects scoring 70 or higher.
- Review committee reserves the right to award partial amounts of requested funds.
- Review committee will consist of seven people:
 - o Four members of the Tax Board of Managers (including one from South Bend, Mishawaka and SJC), with at least two of whom representing the SJC lodging industry.
 - o One member of the St. Joseph County Council.
 - o One general manager, executive or hotel owner from the SJC lodging community.
 - o The executive director of Visit South Bend Mishawaka.
- All applications must be for projects within SJC only.
- Any unallocated TCIF money will be returned to the TCIF line item for allocation in the next application cycle.
- Applications should be submitted in PDF format via email to tcif@visitsouthbend.com.
- Deadline for submission is May 31. No late applications will be accepted.