



SOUTH PADRE ISLAND EVENT FUNDING **POLICY**

HOTEL OCCUPANCY TAX USE GUIDELINES UNDER TEXAS STATE LAW

**South Padre Island Convention and Visitors Bureau
7355 Padre Blvd., South Padre Island, TX 78597
Phone: (956) 761-3000
sopadre.com**

SPECIAL EVENTS POLICY

Purpose

The City of South Padre Island Convention & Visitors Bureau (SPICVB) has adopted this Special Events Policy in order to provide uniform guidelines for event organizers, producers, promoters and sponsors (collectively referred to as “Organizers”) to request assistance for marketing, promoting or producing a special event.

A “special event” is defined as:

1. An event or promotion which will occur during a limited period of time (e.g., day, multiday, week, weekend, annual), and
2. Promoted, designed, and managed by private entrepreneurs who depend on public attendance or participation, and
3. Is in whole or in part directly beneficial to the City of South Padre Island taxing district, having a substantial visitor economic impact on the taxing district and/or significant overnight accommodation sales.

This Special Events Policy will be provided to all organizers requesting special events assistance from the SPICVB. It is the intention of this special events policy to attract events that are or will become financially self-supporting and not require annual funding assistance.

Requests for Assistance

The SPICVB is authorized to provide for two types of support for special events, and applicants may apply for any and/or all types of support:

1. Non-financial support through public relations, collateral distribution, website, calendar of events listing, visitor information services.
2. Direct support for marketing and promotional expenses, in which funding will be provided on a reimbursement basis, unless contracted otherwise. In all cases, the Convention & Visitors Advisory Board (CVAB) shall annually retain 25% of the hotel tax-funding award that will be paid upon submission of the post event report and satisfactory performance on the terms of the funding agreement.

All special events assistance requires written approval of the SPICVB. Organizers must submit a written request for assistance to the SPICVB. Deadlines for submitting applications for assistance vary and are described in Sections I and II below.

Submit requests to:

City of South Padre Island Convention and Visitors Bureau
Attn: Special Events Manager
7355 Padre Blvd., South Padre Island, TX 78597
Phone: (956) 761-3000

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All requests for assistance under Sections I and II must, at a minimum, provide detailed description of the special event, including the following information:

- Name and general description of event
- Desired location(s)
- Desired dates and times
- A detailed description of all activities planned during the special event
- Sponsor list (specify confirmed sponsors and anticipated sponsors)
- Vendor/exhibitor list (if applicable)
- Attendance (anticipated)
- Courtesy Room Black set up for your attendees
- Sleeping rooms required – daily and total (anticipated)
- Event map
- Security/safety plan for patrons, including emergency aid facilities and personnel
- A complete budget with estimated income and expenses
- A plan for all advertising and promotion of the special event
- Copies of available promotional materials (i.e., flyers, commercials, videos, etc.)
- Previous experience of organizer
- History of event (if previously produced)

Application Process

Applications for funding will be submitted through the city application forms with required attachments provided by the applicants. City staff and the Special Events Committee (SEC) will review the applications solely through the written applications. The applicant is required to be present at a public meeting to answer any questions regarding the application for hotel tax funding. Applicants will be notified in a timely fashion, with sufficient time prior to the meeting of the time and place for the review.

The SPICVB reserves the right to approve or disapprove the suitability of any particular element of a proposed special event at its sole and absolute discretion. The SPICVB reserves the right to deny assistance to any special event that may be inconsistent with the policies and goals of the SPICVB. Decisions made by the SEC may be appealed to the CVAB. The CVAB's decision on an appeal is final.

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I. Requests for Assistance to Promote a Special Event (not requiring funding)

The SPICVB will consider providing non-financial support through one or more of the following:

- Public relations (through SPICVB)
- Collateral distribution
- Website calendar of events
- Printed calendar of events
- South Padre Island Visitors Center Welcome Center display
- Production of Median Banner
- Special Event Permitting costs
- SPICVB official logo, photography, video (including b-roll)

Deadline for applications: 90 days prior to the event

II. Request for Assistance to Promote a Special Event (requiring direct funding)

The SEC will consider providing direct financial support that includes “non-financial support” listed in Section I (above), if events requesting initial support can prove their potential to generate overnight visitors by:

- Prior Impact:** historic information on the number of room nights used during previous years for the same events;
- Current Room Block:** current information on the size of a room block that has been reserved at area hotels to accommodate anticipated overnight guests attending the funded event and the actual “pick up/utilization” of the room block;
- Historic Event Attendance by Hotel Guests:** historical information on the number of guests at hotel or other lodging facilities that attended the funded event through surveys, facility or event visitor logs, or other sources;

Deadline for applications: 90 days prior to the event

The SEC shall review the information provided by the applicant to ensure candidates meet the funding criteria and guidelines, and the SEC shall make a recommended determination as to eligibility and any recommended funding to the CVAB. The CVAB may accept or amend the SEC’s recommendations by a majority vote of the CVAB.

All applicants should understand that potential SPICVB funding would decrease every year for the term of this agreement.

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Use of Revenues from Event

A portion of the revenues from any event receiving any type of funding assistance from the HOT funds should be channeled back into the future costs of operating that same event.

Post Event Report

Within 30 days of the event's completion, the funded entity must complete the city-provided post event form and be prepared to note the actual impact figures for the event and provide receipts for expenditures or payments that were covered by hotel occupancy tax.

Any and all consideration for advertising mediums will be evaluated based on the overall economic impact produced by an event, as well as the media value as it directly impacts the destination.

Following the SEC's review and recommendations, any advertising and marketing assistance will require the following provisions:

1. All promotion and advertising materials and budget must be approved in advance by the SPICVB Director to include the SPI official logo.

All special events requesting indirect funding assistance will be required to supply full details as described in the "REQUEST FOR ASSISTANCE" section (above). In addition, the amount of funding assistance requested must be provided.

Blackout Periods for Hotel Tax Funding

Due to high hotel occupancy during certain time periods, grants may be given additional review and limited consideration for operational costs for events in the following months:

- **The months of March, June and July**

The CVB may still expend local hotel tax for marketing events that occur during these time periods. The Convention and Visitors Advisory Board may, with a recommendation from the CVB staff and a two-thirds vote, grant an event a variance from these blackout periods.

Application Deadline

Deadline for applications: Applications must be submitted a minimum of 90 days prior to the date of the event, and must be returned within 10 business days of receipt; this allows SPICVB staff to review and request any changes as necessary. Applications must be typed in order to avoid delays in processing. The applicant must be prepared to demonstrate to the SEC and CVAB how the event will be beneficial to the tourism industry in South Padre Island and are required to appear before the SEC to answer questions.

The SPICVB reserves the right to fund all or in-part or to decline the request of the organizer based on the projected economic impact to the tourism industry of South Padre Island, Texas. Special event funding recommendations are not final until the request has been reviewed and receives voted approval by the Convention & Visitors Advisory Board of the SPICVB.

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General Provisions for Special Event Assistance

Funding Limitations

The SPICVB reserves the right to approve, restrict or deny funding based on the performance projections of all special events. All funding provided to an approved special event will be in accordance with all state and local regulations regarding the proper use of tourist development tax collections.

Consideration for funds will not exceed one current budget year and will require a detailed special event summary and a new application for the next fiscal budget year.

Permits

Organizers must secure and maintain all licenses, permits, and/or other authorizations necessary to conduct the special event (at their cost). Organizers must provide the SPICVB with copies of all such required licenses, permits, and/or authorizations at least thirty (30) days prior to the beginning of the special event.

Compliance with Laws

Organizers agree to comply with all laws, regulations, and ordinances applicable to the special event. All special events must meet the public safety criteria of the City of South Padre Island, Cameron County, and City of South Padre Island Fire and Police Departments. All police, security, fire protection, and emergency medical required by the special event permit(s), or required by the above-named agencies must be paid for by the organizer a minimum of thirty (30) days in advance of the special event.

Sanitation and Clean-Up

Organizers are responsible for sanitation and clean-up related to the special event. Organizers are responsible for coordinating with the City of South Padre Island to ensure that toilet facilities are provided as required by the County Health Department. All organizers are responsible for providing the required number of trash containers and the disposal thereof. All costs for clean-up during and after the special event are the responsibility of the organizer. The SPICVB will require proof of advance payment of toilet, sanitation, and clean-up services a minimum of ten (10) days in advance of the special event. Recycling is encouraged.

Vendors, Exhibitors & Sponsors

The organizer must provide to the SPICVB lists of all vendors, exhibitors, and sponsors participating in the event. The SPICVB reserves the right to approve, decline, or dismiss (in advance or on-site) any vendor, exhibitor, or sponsor whose conduct, merchandise, services, displays advertising, promotional materials, and/or activities may be inconsistent with the policies and goals of the SPICVB.

The lists of vendors, exhibitors, and sponsors must be provided to the SPICVB at the time of application, and monthly updates must also be provided. Updated lists must be provided ten (10) days prior to the event; thereafter, organizer must notify the SPICVB of any additions on a daily basis.

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General Provisions for Special Event Assistance (cont.)

Temporary Signage for Special Events

All content for temporary signage to be installed for a special event must complete an application and artwork must be approved by SPICVB and TXDOT prior to placing median banner order. Temporary signage must be scheduled (by application) a minimum of three (3) weeks in advance in order to process permits and confirm availability. The SPICVB is not responsible for any damage to temporary signage caused by wind, vandalism, or other sources. Any change from the above standards will result in a cancellation of temporary signage.

Advertising and Promotion

All advertising and promotional material including (but not limited to) internet, radio, television, flyers, brochures, and newspaper ads must be approved by the SPICVB a minimum of thirty (30) days prior to publicizing the special event.

Request to utilize SPICVB's official logo, photography, and video (including b-roll) in all marketing/promotion efforts must adhere to specified guidelines. The SPICVB reserves the right in its sole discretion to terminate or modify permission to use the logo, and may request that third parties modify or delete any use of the Logo that, in South Padre Island's sole judgment, does not comply with these guidelines, or might otherwise impair South Padre Island's rights in the Logo. South Padre Island further reserves the right to object to unfair uses or misuses of its trademarks or other violations of applicable law.

Conduct at Special Events

Offensive language, gestures, reckless driving, or unruly conduct will not be tolerated at any event approved for assistance by the SPICVB. Organizers are responsible for the behavior of all spectators, visitors, guests, participants, or invitees to a special event. Improper conduct or the inability to control conduct may result in the loss of future funding for the event or organizer.

Insurance and Indemnification

Organizers must obtain and maintain at their own expense, for the specified dates of the special event (including setup and takedown), general and public liability insurance naming the City of South Padre Island as additional insured.

Comprehensive liability insurance must be obtained from an insurance carrier approved by the SPICVB in the amount of at least \$1,000,000.00 per occurrence for personal injury, bodily injury, and property damage. Such policy must be in a form acceptable to the SPICVB and must require the insurer to give the SPICVB written notice of any modification or cancellation. Organizers must provide SPICVB with a copy of the certificate of insurance at least fourteen (14) days prior to the special event.

Organizers must indemnify, and hold the City of South Padre Island, SPICVB, their officers, directors, elected officials, agents, representatives, employees, and volunteers harmless from and against any and all claims, suits, expenses, damages, or other liabilities, including reasonable attorney fees and court costs, arising out of bodily injury or property damages resulting from or in connection with the special event.

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General Provisions for Special Event Assistance (cont.)

Force Majeure

Neither party will be liable for any failure to perform its obligations hereunder, due to unforeseen circumstances or causes beyond the Party's reasonable control, including, without limitation, acts of God, war, riot, embargoes, acts of civil or military authorities, acts of terrorism or sabotage, electronic viruses, worms or corrupting microcode, fire, flood, earthquake, accident, strikes, radiation, inability to secure transportation, failure of communications or electrical lines, facilities, fuel, energy, labor or materials, and pandemics. In an event of any force majeure events, including any of the above, but not limited to the above, either Party's time for delivery or other performance will be extended for a period equal to the duration of the delay caused thereby, if possible, to extend or reschedule. The Party subject to the force majeure shall (A) give notice of suspension of its obligations as soon as reasonably practicable stating the date and extent of such suspension and the cause thereof, (B) use its best efforts to remedy or remove such force majeure with the least practicable delay, and (C) resume the performance of its obligations as soon as reasonably practicable after the remediation or removal of the cause. Notwithstanding anything to the contrary herein, if an event of force majeure can reasonably be expected to prevent the affected Party from performing its obligations for a period of at least six (6) months, then the other Party may terminate this Agreement upon not less than fifteen days written notice to the affected Party.

Cancellation

The SPICVB reserves the right to demand repayment of all funding allocated to an applicant and/or special event as a result of event cancellation. It will be the responsibility of the organizer to insure the successful completion of the special event. If the organizer elects to cancel the proposed event, the organizer will be responsible for all funds spent or obligated at the time of cancellation.

Authorized Signature

Date

Print Name

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