

City of Sunset Valley
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Sunset Valley, TX 78745
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www.sunsetvalley.org



**Local Hotel Occupancy Tax (HOT Fund) Use
Guidelines, Rules, Grant Application and Follow-up Report Forms**

City of Sunset Valley Vision

Sunset Valley is a unique, diverse and vibrant City that respects its residents and environment, fosters a sense of community that encourages a healthful, active, peaceful, fulfilling lifestyle and supports business opportunities to promote a prosperous, diverse economy and sustainable quality of life.

Background

This packet was designed to establish guidelines to apply universally to all events, programs, and activities requesting support from The City of Sunset Valley's Local Hotel Occupancy Tax (HOT Fund). The City's HOT Fund disbursement guidelines exist to ensure that the City's municipal HOT funds are being spent in compliance with state law, Sunset Valley's Code of Ordinances, and in a way that most benefits the City's tourism and lodging industry.

The City of Sunset Valley recognizes there are city programs, and organizations which provide tourism development and improved lodging industry business to the City through the use of Hotel Occupancy Tax funds on a year-round, and event centered basis.

Two-Part Test

Texas Tax Code Chapter 351 requires that municipal hotel occupancy tax funds be used for specific purposes. The use of HOT Fund revenue is limited to expenditures that meet the following two-part test:

First, the funds must be used toward activities that support the tourism and lodging industries in the City of Sunset Valley. In other words, the expenditure must be likely to attract visitors from outside Sunset Valley into the city or its vicinity. If the expenditure is not reasonably likely to accomplish this result, it will not be funded by HOT Fund revenues.

Second, the activities must fall within and enumerated set of approved activity types, outlined in Chapter 351 of the Texas Tax Code and Chapter 112.06 of Sunset Valley Code of Ordinances:

Expenditure Categories.

1. Funding the establishment, improvement or maintenance of a convention center or visitor information center.
2. Paying administrative costs for facilitating convention registration.
3. Paying for tourism-related advertising and promotion of the city or its vicinity.
4. Funding programs that enhance the arts.
5. Funding historical restoration or preservation programs.
6. Sporting events which majority of participants are tourists in cities located in a county with a population of a million or less.

Rules Governing your Application:

1. The applicant must present reasonable evidence that the program, activity, or event expenditure will promote tourism, hotel activity, and attract tourists to Sunset Valley. Tourism is defined under Texas law as guiding or managing individuals who are traveling to a different city, county, state, or country.
2. For any applicant applying for HOT funds to advertise an event, these funds must focus on targeting visitors outside of Sunset Valley.
3. The applicant must ensure that Sunset Valley hotels, motels and B&BS and their current contact phone number, and/or website are listed on event websites and any information provided to registrants and vendors.
4. All Sunset Valley hoteliers must be made aware of the event, have access to mailing lists, and have sufficient time to participate in the bidding process for both primary bookings and overflow. Sunset Valley encourages all grant recipients to patronize Sunset Valley businesses for food, supplies, materials, printing, etc.
5. If the request is for cooperative advertising support, the City Administrator must approve the final advertising copy for appropriate representation of the City of Sunset Valley 10 business days before the ad or publication's print deadline.
6. For event-based support the event must take place within the City of Sunset Valley, and must promote tourism, the hotel, and the City of Sunset Valley.
7. The event's sponsoring organization will be required to provide tax filing status, ID number, W-9, and proof of insurance. It is preferred that the sponsoring organizations have 501 (c) 3 tax-exempt status.
8. All applications must be completed in compliance with these guidelines.
9. All entities that are approved to receive HOT funds must submit a Post Event/Program/Activity Report Form within 60 days of each event, program, or activity.

Funding Process:

1. All applications must be completed in compliance with these guidelines.
2. All completed applications must be submitted to the City Treasurer by May 31. The City Treasurer will review the applications and confirm they are complete according to the guidelines.
3. The City Administrator will review the applications and provide comments regarding the size of the financial funding request based on estimated economic impact relevant to the request, as well as taking into consideration the need for local community economic impact relevant to the community calendar to the Budget and Finance Committee and City Council.
4. The City Council will make the final decision on funding and at what level.

HOT Fund Recipient Contracts:

1. Contracts will be required for all non-city HOT Fund Recipients who are allocated funds by the City Council.
2. Contracts will be approved by the City Attorney and submitted to City Council for final approval, and will include all reporting requirements included in these guidelines.

Post-Event Report:

1. All entities that are approved to receive HOT funds must submit a Post Event/Program/Activity Report Form within 60 days of each event, program, or activity. The contact name on the application or a designated representative will be expected to present the follow-up report.
2. The report must be accurately completed which will be reviewed by the City Administrator to determine how well the entity met its goals.

3. Failure to submit the post event report may result in ineligibility for future funding from the Sunset Valley HOT Fund.

The Reimbursement Process:

1. After the application has been approved by the Sunset Valley City Council, the application expenditure items that were approved to be used for HOT revenues need to be paid for in full by the recipient.
2. Proof of payment of each item must then be submitted to the City Treasurer before a single reimbursement check will be issued.
3. Funds will be distributed after the post-event report and receipts are submitted and reviewed by the City Treasurer and City Administrator.



City of Sunset Valley
3205 Jones
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CITY OF SUNSET VALLEY HOT FUND GRANT APPLICATION

Organization/Business Information

Today's Date: _____ Event Date: _____

Name of Organization/Business: _____

Mailing Address: _____

City, State, Zip _____

Contact Name: _____

Contact Phone #: _____ Contact Email Address: _____

Website: _____

Is your organization/business: Non-Profit _____ Private/For Profit _____ Tax ID #: _____

Purpose of your organization/business: _____

Does your event pass the Two-Part Test? Yes _____ No _____

If the answer to the question above is no, you are not eligible for HOT funds and need not continue.

Event, Program, or Activity Description

Please answer all items that apply to your request.

Name of your event, program, or activity: _____

Website address of your event, program, or activity: _____

Date(s) of event, program, or activity: _____

Check which expenditure category/categories from Two-Part Test apply to your funding request?

- Funding the establishment, improvement or maintenance of a convention center or visitor information center.
- Paying administrative costs for facilitating convention registration.
- Paying for tourism-related advertising and promotion of the city or its vicinity.
- Funding programs that enhance the arts.
- Funding historical restoration or preservation programs.
- Sporting events which majority of participants are tourists in cities located in a county with a population of a million or less.

Location of event, program, or activity (must take place in the City of Sunset Valley): _____

How many years have you held this event, program, or activity? _____

If previously funded, have additional activities been added or expanded? _____

If yes, please explain: _____

Do you have other sponsors? If yes, please list their names: _____

Tourism Outcomes

Number of total persons expected to attend this event, program, or activity: _____

#Sunset Valley Residents _____ #Outside Sunset Valley Area _____

Approximate number of people attending/visiting the event expected to stay overnight in Sunset Valley hotels, motels or bed & breakfasts?

List host lodging venue that currently have a block of rooms for this event:

Venue	# of Rooms Blocked	Room Rate
_____	_____	_____

How will your event, program, or activity attract people already staying at a Sunset Valley lodging establishment? _____

How will you measure the impact of your event on lodging activity? _____

How will the funds, if approved, be used to promote hotels and overnight stays in Sunset Valley? _____

How will the proposed activity, if funded, enhance and promote tourism in Sunset Valley? _____

What geographic areas will your advertising and promotion reach? _____

It is required that the approved City of Sunset Valley and Holiday Inn logos be included on the event/activity website and sponsor acknowledgement materials. Please initial to acknowledge: _____

What City of Sunset Valley resources will be required? _____

Have you completed the Special Event Permit Application? _____

Required Documents

- _____ Completed application – email is acceptable to cityclerk@sunsetvalley.org
- _____ Itemized, detailed list of expenditures relevant for HOT Funds revenue use
- _____ Advertising /Marketing/Social Media Plan, including target audience
- _____ List of Board of Directors, event committee, or program coordinators with contact information
- _____ Event, program, or activity timeline, traffic, parking, and safety plans
- _____ Event, program, or activity budget

Funding Request:

Amount Requested: \$ _____

Amount granted in past for same event or expenditure: \$ _____

Do you anticipate requesting a HOT Fund Grant next year? If so, for what amount? _____

SUNSET VALLEY – Hotels and Bed & Breakfast

Type - Name	# of Units	Location	Telephone
Hotel – Holiday Inn Express	99	4892 US Highway 290 West	512.891.9500



Local Hotel Occupancy Tax (HOT Fund) Grant Follow-up Report

Date: _____

Organization Information

Name of Organization: _____

Address: _____

City, State, Zip: _____

Contact Name : _____ Phone Number _____

Email address: _____

Event, Program, or Activity Information

Name of Event, Program, or Activity: _____

Date(s) Held: _____

Location Held: _____

Amount Requested \$ _____

Amount Received \$ _____

How were the funds used? _____

Event, Program, or Activity Expenditure Information

1. Actual percentage of funded event costs covered by hotel occupancy tax. _____
2. Actual percentage of facility costs covered by hotel occupancy tax (if applicable). _____
3. Actual percentage of staff costs covered by hotel occupancy tax (if applicable). _____
4. If staff costs were covered, estimate of actual hours staff spent on funded event: _____
5. Did the event charge admission? Was there a net profit from the event? If there was a net profit, what was the amount and how is it being used? _____

HOT Fund Expenditure Summary

Amount Awarded: \$ _____

Expenditures by Fund (invoices attached):

- a. Convention Centers and Visitor Information Centers \$ _____
- b. Registration of Convention Delegates \$ _____
- c. Advertising, Solicitations and Promotions that Directly Promote Tourism and the Lodging Industry \$ _____
- d. Promotion of the Arts the Directly Promote Tourism \$ _____
- e. Historical Restoration and Preservation Activities \$ _____
- f. Funding certain expenses related to a sporting event \$ _____
- g. Signage directing tourists to sights and attractions \$ _____

Total Expenditures \$ _____

Amount Unspent \$ _____

Please explain the reason for any unspent HOT funds and the plans/schedule for spending those funds:

Attendance Information

1. How many people did you predict would attend this event? (Number submitted in application for hotel occupancy tax funds). _____
2. What would you estimate as the actual attendance? _____

#Sunset Valley Residents _____ #Outside Sunset Valley Area _____

3. How many room nights were generated at Sunset Valley lodging establishments by attendees? _____
4. What method did you use to determine the number of people who booked rooms at Sunset Valley lodging establishments (e.g.; room block usage information, survey of hoteliers, etc.)? _____

5. Was a room block established for this event at a Sunset Valley lodging venue? _____

of rooms blocked: _____

Promotion Information

1. Please check all efforts your organization actually used to promote this Event, Program, or Activity and how much was actually spent in each category:

Newspaper \$ _____ Radio \$ _____ TV \$ _____

Other Paid Advertising: \$ _____

Number of Press Releases to Media _____

Other Promotions: _____

2. Did you include a link to the Sunset Valley web-page? Sunset Valley lodging venues web-pages, or other source in your promotional handouts and on your website for booking hotel nights during this event? _____

List the Websites: _____

3. Did you negotiate a special rate or hotel/event package to attract overnight stays? _____

4. What new marketing initiatives did you utilize to promote lodging venue activity?

5. Please attach samples of documents showing how the City of Sunset Valley and lodging industry was recognized in your advertising/promotional campaign.

Additional Information

What Sunset Valley businesses did you utilize for food, supplies, materials, printing, etc.?

This form must be submitted no later than 60 days after the funded event to:

**City Secretary
City of Sunset Valley
3205 Jones Road
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