

City of Conroe

# Hotel Occupancy Tax Grant Funding

Application Packet  
Historic Preservation/  
Restoration

FY 2020-2021



Presented by the  
Conroe Convention & Visitors Bureau

505 West Davis Street  
Conroe, TX 77301  
936-522-3500

Funded through City of Conroe Hotel Occupancy Tax Revenues

# Application Cycle Overview:

## PROCESS/TIMELINE

- Applications available **August 17, 2020**
- Request for assistance/ review of application must be made by **September 4, 2020**
- Last day to have assistance with application from CVB **September 16, 2020**
- Applications due **September 25, 2020**
- Presentations for grant applicants **will be by request of Tourist Advisory Council only; not all applicants will present**
- Tourist Council will discuss all applications and prepare recommendations for funding to be presented to City Council for review at a regularly scheduled closed meeting in October or December
- Visit Conroe Director, Shannon Overby will present recommendations on behalf of the Tourist Council City Council Workshop in **December or January**
- City Council will vote on the recommendations at their meeting in **December or January**
- Your organization will be notified of your grant amount and terms as soon as approved by City Council. 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*

## WHERE TO FIND THE APPLICATION:

- Applications will be available for pickup at the Visit Conroe Office **Monday-Friday, 8:00am-5:00pm starting August 17, 2020** or online at [www.visitconroe.com](http://www.visitconroe.com).
- The application can also be emailed by request; contact Visit Conroe 936-522-3500 or [info@visitconroe.com](mailto:info@visitconroe.com).

## QUESTIONS OR ASSISTANCE WITH THE GRANT 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](mailto:info@visitconroe.com) to schedule a date and time to meet.
- All meetings must be **requested** no later than **September 4, 2020** and held prior to **September 16, 2020**.

## APPLICATION DEADLINE

- All complete applications are due in the CVB Office by **September 25, 2020 by 4 pm**.
  - A complete application will consist of:
    - Grant Funding Checklist (page 8)
    - Historic Preservation Application, (pages 9-11)
    - Grant Applicant Financial Summary printed from accountant or software generated report (page 12)
    - Recognition and Marketing Agreement (pages 13-14)
  - Visit Conroe office – inside the Chamber of Commerce Building located at 505 West Davis Street
- \*\*\*NO LATE APPLICATIONS WILL BE ACCEPTED – NO EXCEPTIONS\*\*\***

Please read over the packet thoroughly as there have been many changes for the upcoming cycle. Here is a brief summary of the changes:

- Financial Audits/ Reviews are no longer required
- No payments will be made upfront, all grant money will be paid post restoration/project based on documentation provided showing compliance of grant requirements
- Grant applicants will not make presentations to the Tourist Advisory Council unless they are a new applicant or there is a need for further information
- Grant Application time period has shifted slightly
- An Application Rubric will be used to assist in determining the amount of grant awarded (sample included)
- A Post Project Rubric will be used to determine the adherence to grant guidelines and determine the qualification for reimbursement (sample included)
  - Therefore although a grant may be awarded \$15,000 (as an example) a lesser amount may be paid out if the Post Event Analysis documents do not demonstrate full compliance and legal use of grant money. Payout could be reduced to only 75% or 50% of the original awarded amount.

**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 Special Grants.**

## 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

## PURPOSE OF THIS PACKET

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. A copy of the applicable sections of the Tax Code has been included in this packet (Pg 4) for your review. This application packet applies to Section 351.101: 3 & 5.

The Visit Conroe Tourist Advisory Council reviews the applications and makes recommendations to the Conroe City Council on the portion of Visit Conroe's budget allocated to Hotel Tax Grant Funding. Funding is available from the hotel occupancy tax collected by our lodging properties.

## APPLICATION QUALIFICATIONS & FUNDING GUIDELINES

- All applicants will be required to provide their tax filing status and ID number as part of the application.
- 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.
- The requesting organization must provide a projected restoration 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.12 for more specific information.

## LIMITS ON FUNDING

- Per City Council, the maximum amount of funding that an organization can apply for is \$15,000 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, not to be a patron of either the event or the fundraising beneficiary.

## RULES PERTAINING TO MARKETING

Minimum of 10% of the Grant Funding must be spent on Marketing and Advertising and must be matched by the organization with a minimum of equal marketing dollars.

- NOTE: 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 10 % requirement (and 10% match)
- Money spent towards the creation of marketing materials (photography, graphic artist, creative services, PR firms or ad agency fees ) does not go towards the 10% requirement (and 10% 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 GRANT MONEY**

- 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 4 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.
- Capital bricks and mortar or commercial projects (except for historic restoration)
- Retroactive Funding
- Direct funding to individuals
- 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

- While Tourist Council will make recommendations to the City Council based on projections and estimated budgets, ***reimbursement will be based on documentation of actual invoices, receipts, and proof of payment.***
- The final documentation of the restoration project will be compared to the items outlined in the application packet.
- The Post Event Analysis, including supporting documentation of acceptable reimbursable expenses, project completion, and proof of acknowledgement or recognition to Visit Conroe given, is due to the CVB within **60 days** of the project completion. FAILURE TO DO SO WILL AUTOMATICALLY DISQUALIFY YOUR ORGANIZATION FOR ONE GRANT CYCLE, and reduce the amount authorized for reimbursement.

# Grant Funding Checklist

Name of Organization: \_\_\_\_\_

Amount Requested: \_\_\_\_\_ Previous Years Funded: \_\_\_\_\_

Restoration/Preservation Project: \_\_\_\_\_

Importance from a Tourism Standpoint: \_\_\_\_\_

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

\_\_\_\_\_ The facility/ project “directly enhances and promotes tourism AND the convention and Hotel industry.” (Tax Code, Section 351.101)

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

\_\_\_\_\_ The required project 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 project have been previously submitted.

**Please note: All items must be completed before the application can be submitted. If you would like to have your application reviewed by Visit Conroe staff before submission, please make arrangements to do so prior to September 4, 2020.**

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For Internal Use

Documents verified by: \_\_\_\_\_ Date: \_\_\_\_\_



# Historic Restoration/Preservation Application

2020-2021 Application

## Organization Information

|   |
|---|
| Organization  |
| Project Name  |
| Restoration/ Preservation Project Start Date:<br>Restoration/ Preservation Project Completion Date: |
| Restoration Location:   |
| Estimated yearly attendance at facility:  |
| Estimated yearly marketing budget:  |
| Year the location/ item was designated as historic:   |

## Contact Information

|   |  |
|---|--|
| Project Coordinator                                     |  |
| Coordinator Street Address                              |  |
| Coordinator City/State/Zip                              |  |
| Coordinator Daytime Telephone                           | Coordinator Alternate Telephone        |
| Coordinator E-Mail                                      |  |
| Second Project 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                               |  |

**Facility Attendance Projections**

Expected Total Yearly Attendance: \_\_\_\_\_  
Expected attendance of local Montgomery County Residents: \_\_\_\_\_  
# of expected attendance from outside of a 50 mile radius: \_\_\_\_\_  
Is there an entrance fee? Yes or No  
If yes, what is the price of the ticket? \_\_\_\_\_

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Historic Restoration/Preservation Summary**

Please describe the historic preservation project(s) that will be funded through the grant. Be specific with costs and projected timeline of restoration.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Historical Significance of Project**

Explain the importance/ rational for **this** project and the future impact it will have.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Organization 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.

**Additional Funds Usage**

How will the funds requested be utilized? Include specific expected percentages or dollar amounts for each item. Attach additional pages if needed.

## Grant Applicant Historic Restoration/Preservation Project Summary Example

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

*This form does not take the place of a 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.*

| <b>Income Sources:</b> |  | <b>Expenses:</b>         |  |
|------------------------|--|--------------------------|--|
| Ticket Sales           |  | Marketing in Conroe      |  |
| Merchandise            |  | Marketing outside Conroe |  |
| Auction Items          |  | Facility/ Event Site     |  |
| Sponsorships           |  | Repair Materials         |  |
| Donations              |  | Repair Services          |  |
| 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 on all digital and printed materials, radio, TV, and website.   |
|  | 2. Must provide a visual link to the Visit Conroe website ( <a href="http://visitconroe.com">visitconroe.com</a> ) on the event/organizations website.   |
|  | 3. If your location 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 location.   |
|  | 5. Ticketed locations must provide tickets or passes to Visit Conroe for Visit Conroe to complete an evaluation of the project. (amount to be determined)<br>The organization must also provide additional tickets for Visit Conroe to give away on social media or other marketing opportunities. (amount to be determined)<br>It is preferred (but not required) that the organization provide Visit Conroe tickets for City Council and City Officials. (any unclaimed tickets will be returned to you) |
|  | 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.  |

\*\*Please initial each item above

### Promotion of your Historic Location by the CVB

In addition to the Historic Preservation Grant 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](http://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.
6. You will have the opportunity to promote your event(s) or organization on one of Visit Conroe's radio shows on Lone Star Community Radio.

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 (6) 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.

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Authorized Signature

Date

---

Print name

Organization/Title/Responsibility

# Post Event Analysis

*Due 60 Day after the project completion date stated on application.*

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

Supporting documentation includes, but may not be limited to before and after restoration photos, project literature, receipts, media purchases and cancelled checks to match, and tear sheets or evidence from purchases to support reimbursement by CVB for HOT compliant spending. Copies of materials providing recognition to Visit Conroe must also be included.

## Historic Restoration/Preservation Project Information

|  |
|--|
| Organization Name  |
| Historic Preservation Project  |
| *Total of Grant Funds Spent on Restoration:<br>(Please attach invoices, receipts or other proof of payment). |

## Funding Analysis

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

## Project Outcome

|   |
|---|
| Was the project as stated completed? If not explain next steps. |
|---|

\* Subject to audit

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

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Authorized Signature

Date

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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](mailto: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><b>Homewood Suites</b><br/>3000 I-45 N<br/>Conroe, TX 77303<br/>936-703-6000</p>                           | <p><b>Fairfield Inn &amp; Suites by Marriott</b><br/>3010 I-45 North<br/>Conroe, TX 77303<br/>936-756-3040</p>     | <p><b>Scottish Inn and Suites</b><br/>1105 League Line Road<br/>Conroe, TX 77303<br/>936-701-5260</p>  |
| <p><b>Baymont Inn &amp; Suites</b><br/>1506 I-45 South<br/>Conroe, TX 77304<br/>936-539-5100</p>              | <p><b>Hampton Inn &amp; Suites</b><br/>2242 Stoneside Road<br/>Conroe, TX 77303<br/>936-539-1888</p>               | <p><b>Springhill Suites by Marriott</b><br/>16520 I-45 South<br/>Conroe, TX 77384<br/>936-271-0051</p> |
| <p><b>Best Western Lake Conroe Inn</b><br/>14643, Hwy 105<br/>Montgomery, TX 77356<br/>936-588-3030</p>       | <p><b>Holiday Inn Express Hotel &amp; Suites</b><br/>2240 Stoneside Road<br/>Conroe, TX 77303<br/>936-788-5200</p> | <p><b>Super 8</b><br/>1000 Cable Street<br/>Conroe, TX 77301<br/>936-494-2280</p>                      |
| <p><b>Comfort Inn</b><br/>1115 League Line Road<br/>Conroe, TX 77303<br/>936-890-2811</p>                     | <p><b>La Quinta Inn &amp; Suites</b><br/>4006 Sprayberry Lane<br/>Conroe, TX 77303<br/>936-228-0790</p>            | <p><b>Super 8 Montgomery</b><br/>201 Mesa View<br/>Montgomery, TX 77316<br/>936-588-2886</p>           |
| <p><b>Margaritaville Lake Resort</b><br/>600 Margaritaville Parkway<br/>Conroe, TX 77356<br/>936-448-4400</p> | <p><b>Palace Inn</b><br/>816 I-45 S<br/>Conroe, TX 77304<br/>936-521-2590</p>                                      | <p><b>Woodspring Suites Conroe</b><br/>2551 I-45 South<br/>Conroe, TX 77304<br/>936-788-2300</p>       |
| <p><b>Days Inn &amp; Suites Conroe</b><br/>4001 Sprayberry Lane<br/>Conroe, TX 77303<br/>936-890-2600</p>     | <p><b>Motel 6</b><br/>820 I-45 South<br/>Conroe, TX 77304<br/>936-760-4003</p>                                     | <p><b>Towneplace Suites by Marriott</b><br/>1017 Outpost Dr<br/>Conroe, TX 77304<br/>936-267-2500</p>  |