



City of Rosenberg

HOT Funds Grant Application Packet

Year 2022-2023

Authority & Purpose

The purpose of this document is to outline certain policies and procedures associated with the allocation and use of Hotel Occupancy Tax (HOT) revenues by the City of Rosenberg.

Municipal hotel occupancy taxes are governed by Chapter 351 of the Texas Tax Code, and by the City of Rosenberg Code of Ordinances. The City of Rosenberg wishes to make Hotel Occupancy Tax (HOT) funds available to entities other than the City in accordance with the Tax Code to encourage expenditures that enhance the Rosenberg tourism, convention and hotel industry, and that help stimulate the continued growth and development thereof.

The City of Rosenberg currently levies a Hotel Occupancy Tax of 7% within the City. Unlike property tax and sales tax revenues which cities can use for most public purposes, local hotel occupancy tax revenues fall under a more structured statutory mandate. The policies and guidelines contained herein delineate the terms under which the City of Rosenberg will allocate revenues derived from the Hotel Occupancy Tax, and the terms under which potential recipients of such revenue may request and use such funds.

Chapter 351 of the Texas Tax Code limits the use of Hotel Occupancy Tax funds for uses which promote tourism and the convention and hotel industry, and that use is limited to the following categories:

1. **Constructing, improving, enlarging, equipping, repairing, operating, and maintaining a convention center or visitor information center:** the acquisition of sites for and the construction, improvement, enlarging, equipping, repairing operation and maintenance of convention facilities or visitor information centers or both;
2. **Paying the administrative costs for facilitation of convention registration:** the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants;
3. **Advertising and conducting promotional programs to attract tourists and convention delegates or registrants:** advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity;
4. **Encouragement, promotion, improvement and application of the arts:** 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 arts forms;
5. **Funding historical restoration or preservation programs:** the 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 at or in the immediate vicinity of convention center facilities or visitor information centers; or located elsewhere in the municipality or its vicinity that would be frequented by tourists and convention delegates;
6. **Funding certain expenses, including promotional expenses, directly related to a sporting event within counties with a population of under 1 million:** funding the events costs for sporting tournaments that substantially increase economic activity at hotels in which a majority of participants are tourists;

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Policies and Guidelines for Use of the Hotel Occupancy Tax (HOT) Revenues

7. **Funding the enhancement and upgrading of existing sports facilities or sports fields for certain municipalities: if the municipality owns the facilities or fields** acceptable sports facilities include those for baseball, softball, soccer, and flag football;
8. **Signage directing the public to sights and attractions that are visited frequently by hotel guests in the municipality.**

Guidelines and Funding Goals for Hotel Occupancy Tax Projects and Programs

The Rosenberg City Council will consider requests for allocation of revenues derived from the Hotel Occupancy Tax in the same way it considers other budgetary requests. The only difference in this allocation process will be that when making funding decisions, the City Council will consider both the statutory requirements found in Chapter 351 of the Texas Tax Code, and the policy requirements outlined in this document.

1. Eligible activities of the following types of individuals, businesses, organizations or agencies may be funded using revenues from the Hotel Occupancy Tax:
 - A. Activities of other public agencies
 - B. Activities of non-profit organizations
 - C. Activities of for-profit businesses
 - D. Activities of individuals
2. Activities will only be funded if they take place within the City of Rosenberg or its extraterritorial jurisdiction (ETJ). If said activities take place outside Rosenberg, but within its ETJ, in order to be eligible for funding, the activity must promote tourism and the convention and hotel industry inside the City of Rosenberg.
3. The funding of ongoing operating costs of otherwise eligible activities under this policy, will not be approved. This policy can only be waived by the City Council if the Council determines that the proposed activity provides a particularly significant benefit to the City of Rosenberg, the Rosenberg community and/or the Rosenberg hotel, convention and tourism industry.
4. The funding of total activities for any individual, business, organization or agency in an amount exceeding \$50,000 in any given fiscal year, will not be approved. This policy can only be waived by the City Council if the Council determines that the proposed activity provides a particularly significant benefit to the City of Rosenberg, the Rosenberg community and/or the Rosenberg hotel, convention and tourism industry.
5. If applicant is seeking the grant to make physical improvements, the improvements shall:
 - A. Be made in accordance with project drawings, specifications, and/or information provided by the applicant and having been previously approved by the City.
 - B. Receive the written approval of the City for any modifications to previously approved project drawings/specifications.
 - C. Obtain all applicable permits and inspections related to the improvement project.Failure to adhere to these physical improvement conditions will render Applicant ineligible for grant funding.

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6. The applicant must demonstrate that they are in good financial standing and that financial safeguards are in place to protect public funds.
7. Applicants that have outstanding financial obligations to the City of Rosenberg, including but not limited to liens, court fines, delinquent City utility bills, or delinquent taxes are not eligible.
8. Applicants that have an ongoing lawsuit or are in any way parties to litigation against the City of Rosenberg are not eligible.
9. Final determination of whether or not a proposed activity meets the requirements to be funded from Hotel Occupancy Tax revenues will be made solely by the Rosenberg City Council.

Application Process and Timeline

1. City Council consideration of requests for the use of revenues derived from the Hotel Occupancy Tax (HOT) will take place once a year through a formal process. An Evaluation Committee will meet to review and recommend grant applications to City Council after all applications have been submitted by or on the deadline in July as defined in the call for applications.
 - A. The City of Rosenberg will provide a public notice of Hotel Occupancy Tax funding availability.

Applications

September	Call for applications
October	Application deadline
October	HOT Evaluation Committee review and determination of proposed funding recommendation for City Council decision
November	City Council approval for funding
November	Funds become available with executed funding agreement
September 30	Unexpended funds revert back to City

The City Council will only process HOT funding requests and/or allocate HOT funds at other times during the year if the Council determines that the proposed activity is for some reason urgent or time sensitive, and only if the Council determines that the proposed activity to be funded provides a particularly significant benefit to the City of Rosenberg, the Rosenberg community and/or the Rosenberg hotel, convention and tourism industry.

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Policies and Guidelines for Use of the Hotel Occupancy Tax (HOT) Revenues

City Review Guidelines

1. The HOT Evaluation Committee is comprised of seven (7) members total, to serve one-year terms, and shall include:
 - A. One (1) City Staff Member - Finance Director/Assistant City Manager;
 - B. Two (2) City Council Members; and,
 - C. Four (4) citizen residents or owners of businesses in Rosenberg.
2. In order to document the City's compliance with state law, whenever the City Council approves an allocation of funding from Hotel Occupancy Tax revenues for any activity, approval will be documented with a City Council resolution that will include in its recitals a finding of fact that the City Council believes that the proposed activity to be funded will directly promote tourism and the convention and hotel industry, and that it meets one of the other 11 criteria for funding eligibility outlined in Chapter 351.101 of the Texas Tax Code.
3. In reviewing proposed uses for the Hotel Occupancy Tax revenues, the Evaluation Committee and City Council are encouraged, but not required, to give a higher funding priority to funding requests that can be shown to quantify the number of overnight stays at Rosenberg hotels that can be expected to be generated by the proposed use and that the Council believes will generate more overnight stays at Rosenberg hotels than to requests that the Council believes will generate fewer overnight stays.
4. In reviewing proposed uses for the Hotel Occupancy Tax revenues, the Evaluation Committee and City Council are encouraged, but not required, to give a high funding priority to proposed uses of HOT funds that will provide a significant benefit to the City of Rosenberg, the Rosenberg community, and/or the Rosenberg hotel, convention and tourism industry.
5. In reviewing proposed uses for the Hotel Occupancy Tax revenues, the Evaluation Committee and City Council are encouraged, but not required, to give a high funding priority to funding requests that propose matching funds from the organization applying for the grant.
6. The City Council shall not fund activities with Hotel Occupancy Tax revenues that the Council itself does not believe will in some way directly promote tourism and the convention and hotel industry.
7. The City Council shall not fund activities with Hotel Occupancy Tax revenues that the Council itself does not believe will in some way meet the other, non-tourism-related criteria described in Chapter 351.101 of the Texas Tax Code.
8. Funding of City of Rosenberg activities that are administered by departments of the City are already under the direct control of the City. Accordingly, no funding contract(s) or Hotel Occupancy Tax application will be required for such activities.

Administration of Hotel Occupancy Tax Revenue Allocations

The City of Rosenberg has an obligation to ensure that funds allocated through its budgeting process are used in a manner that is consistent with City policy and consistent with all City, state and federal laws. To assure that the City has sufficient influence over such funds after they are allocated, the following administrative procedures will be followed:

1. When HOT funding is provided for activities that are administered by outside individuals, businesses, organizations or agencies, such funding will be distributed and the funding and activities will be regulated through the use of a Funding Agreement.
2. When the City Council allocates HOT funding for outside individuals, businesses, organizations or agencies, the City Council resolution authorizing said allocation of funds will include language directing the City of Rosenberg City Manager and his or her designee to negotiate and sign a Funding Agreement with said funding recipient(s) to assure that the funds are used in the manner intended by the City Council, consistent with City policy, and consistent with all City, state and federal laws.
3. Each Funding Agreement will include different provisions based upon the different circumstances of each funded activity. But in each case, the Funding Agreement will dictate that the grant will be in the form of a reimbursable grant. Funding Agreements will also include provisions that will influence the funded party to the extent necessary to protect the City's interest, to assure that the funds are used in the manner intended by the City Council, consistent with City policy, and consistent with all City, state and federal laws.
4. Each Funding Agreement will include a provision that the grant recipient acknowledge HOT funding is not to be aggregated with other grant programs operated by the City or the Rosenberg Development Corporation.

**CITY OF ROSENBERG
HOTEL OCCUPANCY TAX FUNDING REIMBURSEMENT GRANT APPLICATION**

Date: _____

ORGANIZATION INFORMATION

Name of Organization:	
Address:	
City, State, Zip:	
Contact Name:	Contact Phone Number:
Website Address for Event or Sponsoring Entity:	
Non-Profit or For-Profit Status:	Tax ID #:
Entity's Creation Date:	
Purpose of Organization:	

EVENT/PROJECT INFORMATION

Name of Event or Project:	Date of Event or Project:
Primary Location of Event or Project:	
Total Event or Project Budget: \$ _____	Total Event or Project Funding Requested from HOT Funds: \$ _____
Percentage of Total Event or Project Funding Requested from HOT Funds: _____ %	

1. Primary Purpose of Funded Activity/Facility:

CITY OF ROSENBERG
HOTEL OCCUPANCY TAX FUNDING REIMBURSEMENT GRANT APPLICATION

2. How will your proposed activity directly promote tourism and the convention and hotel industry? If you can estimate the anticipated number of hotel rooms utilized for the activity, please do so.	
3. How will your proposed activity meet one of the other required criteria described in Chapter 351.101 of the Texas Tax Code and listed in this Policy under "Authority & Purpose" (pages 1 and 2)?	
4. How else will your proposed activity be beneficial to the City of Rosenberg, the Rosenberg community and/or the Rosenberg hotel, convention and tourism industry?	
5. How many years have you held this Event or Project?	6. Expected Attendance:
7. Please list any other organizations, government entities, and grants that have offered financial support to your project:	
8. Please list the promotion efforts your organization is coordinating, and the amount financially committed to each avenue: <ul style="list-style-type: none">• Newspaper: \$ _____• Radio: \$ _____• Social Media: \$ _____• TV: \$ _____• Other Paid Advertising: \$ _____• Number of Media Releases to out-of-town outlets: _____• Number of Direct Mailings to out-of-town recipients: _____	

**CITY OF ROSENBERG
HOTEL OCCUPANCY TAX FUNDING REIMBURSEMENT GRANT APPLICATION**

9. What geographic areas does your advertising and promotion reach?
10. If the funding requested is related to a permanent facility (e.g. museum), what is the expected attendance: Monthly: _____ Annually: _____
11. What percentage of visitors stay at area hotels/lodging facilities? _____ %
12. Please include a copy of your organization's most recent financial statement.

For questions related to the application process, please contact the Communications Department at 832-595-3301. Applications must be postmarked or delivered in hand by no later than Friday, October 7, 2022, at 5 p.m.

Please submit applications by email to tkveton@rosenbergtx.gov or by mail to:

**City of Rosenberg
Communications Department
3829 Highway 36 S
PO Box 32
Rosenberg, Texas 77471-0032**

Request for Taxpayer Identification Number and Certification

**Give Form to the
 requester. Do not
 send to the IRS.**

▶ Go to www.irs.gov/FormW9 for instructions and the latest information.

Print or type. See Specific Instructions on page 3.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
	2 Business name/disregarded entity name, if different from above	
	3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):
	<input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate	Exempt payee code (if any) _____
	<input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____ Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.	Exemption from FATCA reporting code (if any) _____
	<input type="checkbox"/> Other (see instructions) ▶ _____	<small>(Applies to accounts maintained outside the U.S.)</small>
	5 Address (number, street, and apt. or suite no.) See instructions.	Requester's name and address (optional)
6 City, state, and ZIP code		
7 List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number									
				-			-		
or									
Employer identification number									
				-					

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here	Signature of U.S. person ▶	Date ▶
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.