

**HOTEL OCCUPANCY TAX (HOT) GRANT PROGRAM  
FUNDING AGREEMENT**

This Agreement made and entered into this, the 19<sup>th</sup> of October 2021, and between the **City of Dripping Springs**, Texas a general-law municipality located in Hays County, Texas ("City"), and **Dr. Pound Historical Farmstead**, is understood and agreed to be as set forth herein.

**RECITALS:**

**WHEREAS**, the City of Dripping Springs has been and remains a recognized destination for tourists, and as a result has developed a tourism industry which is beneficial to the City, its residents, and merchants; and

**WHEREAS**, the continued promotion and growth of the tourism industry will enhance the City, and insure to its benefit; and

**WHEREAS**, there is available a seven percent (7%) Hotel Occupancy Tax, authorized by state statute, the proceeds of which can be utilized by the City to promote tourism, and enhance the arts and historical preservation of the City; and

**WHEREAS**, the City Council has deemed it to be in the best interest of Dripping Springs to accomplish the goals as set forth above, and to enact and approve a seven percent (7%) Hotel-Motel Occupancy Tax, the proceeds of which can be devoted to the foregoing purposes; and

**WHEREAS**, the City Council deems it to be in the public interest to promote tourism and increased hotel occupancy through the execution of certain limited funding agreements that award grants financed by a portion of the proceeds from the collection of Hotel-Motel Occupancy Tax revenue; and

**WHEREAS**, the City's Hotel Occupancy Tax Committee reviewed various funding proposals and made a recommendation regarding the grant described herein; and

**WHEREAS**, the City Council approved the expenditure of the grant funds in the Fiscal Year 2022 Budget through the approval of Ordinance No. 2021-36 on September 22, 2021; and

**WHEREAS**, the City Council awarded and approved the grant of these funds at a properly-conducted public meeting held on September 21, 2021.

**NOW, THEREFORE, BE IT MUTUALLY AGREED AS FOLLOWS:**

**1. PARTIES**

The parties to this Agreement shall be the City of Dripping Springs (City), and the Dr. Pound

Historical Farmstead, a nonprofit corporation organized under the laws of the State of Texas.

## **2. FINDINGS**

The parties hereby agree that the project(s) described in the Recipient's funding application ("Exhibit "A") promotes tourism.

## **3. GRANT**

The City hereby agrees to transfer as a grant a portion of the Fiscal Year 2022 Hotel Occupancy Tax funds to Dr. Pound Historical Farmstead for tourism advertising, historic restoration and preservation, and public signage in an amount twenty-two thousand and seven hundred dollars (\$22,700.00). The grant shall be payable in one lump sum payment no later than 30 days after the date this Agreement is signed by both parties.

## **4. SERVICES**

In exchange for the grant described above, Dr. Pound Historical Farmstead hereby agrees to utilize the grant funds in the amount of twenty-two thousand and seven hundred dollars (\$22,700.00) for the purposes as described in Exhibit A and below, which directly enhance and promote tourism and the convention and hotel industry; advertise and promote the city and its vicinity; and, enhance the arts, in which participants are tourists to the city.

- (a) Tourism advertising;
- (b) Historical restoration and preservation
- (c) Public signage

## **5. REQUIREMENTS**

- 5.1 Recipient must ensure that all Dripping Springs lodging and their current contact information are listed on information provided to registrants, vendors, and event attendees, including event websites, funded by the grant. Also, all Dripping Springs 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.
- 5.2 If grant funds are used for advertising, the City Administrator must approve the final advertising copy prior to publishing or distribution for appropriate representation of the City of Dripping Springs, and local lodging.
- 5.3 Promotional materials using grant funds are required to include the appropriate City of Dripping Springs branding as provided by the City Administrator. Also, any event sponsor signage is required to include the appropriate City of Dripping Springs brand; and
- 5.4 Recipient must provide the City Administrator with two copies of all printed materials created with grant funds.



## **6. DURATION**

This Agreement is commencing on October 1, 2021 and ending on September 30, 2022. Recipient must expend the grant funds during the term of this Agreement or remit the remaining balance back to the City.

## **7. TERMINATION**

This Agreement may be terminated by either party prior to performance with or without cause upon written notification to the other party. After the Recipient has commenced performance of the obligations provided for in this Agreement, the City may terminate the Agreement only in instances of breach by the Recipient, at which time the Recipient shall reimburse to the City the amount of the grant not yet expended. If the Recipient terminates this Agreement after having received funds from the City, the Recipient shall reimburse the City the complete amount of the grant provided for herein.

## **8. ACCOUNTING**

Prior to the expiration of this Agreement, an agent of the Recipient will submit a Post Event Report Form as provided by the City describing the status of the project and explaining how the grant funds were used. The report shall include expenditures covered by the funds provided by this Agreement, visitor attendance data from event surveys, and estimated number of visitors overnight stays due to the event/expenditure. Following submission of the Post Event Form, an agent of the Recipient may be required to attend a City Council meeting to personally account for the expenditures made in accordance with this Agreement, if requested to do so by the City Administrator.

## **9. CONTACTS**

For purposes of this Agreement, communications may be sent as follows:

**To the City:**

City of Dripping Springs  
Attn: Michelle Fischer  
PO Box 384  
Dripping Springs, TX 78620

**To the Recipient:**

Dr. Pound Historical Farmstead  
Attn: Jenny Pack  
PO Box 1150  
Dripping Springs, TX 78620

## **10. INDEMNIFICATION**

The Recipient hereby releases, indemnifies, and holds the City, its employees and agents, harmless for any damages, injuries, or other claims resulting from Recipient's actions or inactions, or the conduct of Recipient's agents, employees, or contractors.

## **11. INCLUSIVENESS**


This document represents the entire understanding between the parties. This Agreement may only be amended in writing with the mutual consent of the parties.

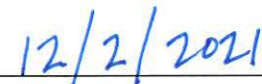
## 12. SEVERABILITY

If any sentence, clause or portion of this Agreement is deemed unenforceable by a court of competent jurisdiction, the remainder of the Agreement shall remain in full force and effect.

### WHEREFORE PREMISES AND CONSIDERATION ACCEPTED, AND HEREBY AGREED:

**CITY OF DRIPPING SPRINGS:**

  
\_\_\_\_\_  
Bill Foulds, Jr., Mayor

  
\_\_\_\_\_  
Date

**ATTEST:**

  
\_\_\_\_\_  
Andrea Cunningham, City Secretary

**DR. POUND HISTORICAL  
FARMSTEAD:**

\_\_\_\_\_  
Jenny Pack, Executive Director

\_\_\_\_\_  
Date

**ATTEST:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name and Title

## 12. SEVERABILITY

If any sentence, clause or portion of this Agreement is deemed unenforceable by a court of competent jurisdiction, the remainder of the Agreement shall remain in full force and effect.

**WHEREFORE PREMISES AND CONSIDERATION ACCEPTED, AND HEREBY AGREED:**

**CITY OF DRIPPING SPRINGS:**

**DR. POUND HISTORICAL  
FARMSTEAD:**

\_\_\_\_\_  
Bill Foulds, Jr., Mayor

\_\_\_\_\_  
Jenny Pack, Executive Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
11-30-2021  
Date

**ATTEST:**

**ATTEST:**

\_\_\_\_\_  
Andrea Cunningham, City Secretary

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name and Title



**Exhibit "A"**

**Dr. Pound Historical Farmstead HOT Funding Application**



Application Date: April 30, 2021

## HOT GRANT FUNDING PROGRAM APPLICATION

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### *Organizational Information*

Name of Organization/Business:

Friends of the Pound House Foundation

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Address:

419 Founders Park Road, Unit B

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City, State, Zip:

Dripping Springs, TX 78620

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Contact Name:

Jenny Pack

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Contact Phone/Email:

[pioneer@drpoundfarmstead.org](mailto:pioneer@drpoundfarmstead.org) 562-682-7909

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Website Address:

<https://drpoundfarmstead.org>

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Type of Business/Organization:

Museum

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Non-Profit Status:

501 c (3)

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Tax ID Number:

74-2580000

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Entity's Creation Date:

January 1991

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Purpose of Organization/Business:

Protect, preserve and develop the Dr. Pound Farmstead for the use, education, enjoyment and benefit of present and future generations. The Dr. Pound Farmstead Museum is a living depiction of early life in the Texas Hill Country , providing historical education, a destination point for visitors and a gathering place for the community.

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***Event/Project Information***

Name of Event/Project:

2022 Annual tourism marketing & advertising; signage; sustaining museum preservation and special preservation projects.

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Date of Event/Project:

2021-2022 fiscal year

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Location of Event/Project:

419 Founders Park Road, Unit B Dripping Springs, TX 78620

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Description of Event/project:

- A) Advertising and promotional programs to attract tourists with print advertising in the Dripping Springs Visitor's Guide, Hill Country Sun and Hill Country View, plus any approved event sponsorships related to the Visitor's Bureau; Rack cards and brochures; Social media, website and e-newsletter marketing; and Founder's Day participation and advertising.
- B) Interpretative and wayfinding signage throughout the museum and grounds to improve guest experience and inform collections.
- C) Sustaining preservation for collections storage, tree care and garden bed maintenance for our historic rose garden
- D) Special preservation projects including: installation of a dedicated irrigation zone for the historic heritage oak



tree; Repair of the smokehouse door; and Roof repairs

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on our cedar shingle roof.

All project requests include dedicated staffing time and associated payroll.

Funding Amount Requested:

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\$45,300

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How funds will be used, including itemized list of expenditures which can be attached separately:

Please see attached list

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Percentage of Total Event/Project Cost Covered by HOT Funding: 85%

*Please indicate which Category or Categories apply to the Funding Request, and list the Amount Requested under each category:*

**Convention Center or Visitor Information Center:** construction, improvement, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers or both.

*Amount requested under this category:*

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**Registration of Convention Delegates:** furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants

*Amount requested under this category:*

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**Advertising, Solicitation, Promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity.**

*Amount requested under this category:*

\$18,400

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**Promotion of the Arts that Directly Enhance Tourism and the Hotel & Convention Industry:** the encouragement, promotion, improvement, and application of the arts that can be shown to have some direct impact on tourism and the hotel/convention industry. The impact may be that the art facility or event can show hotel nights that are booked due to their events or that guests at hotels attend the arts event. Eligible forms of art include instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture, photography, graphic and craft arts, motion picture, radio, television, tap and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms.

*Amount requested under this category:*

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Historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historical sites or museums.

*Amount requested under this category:* \_\_\_\_\_

\$21,500

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Expenses including promotional expenses, directly related to a sporting event in which the majority of participants are tourists. The event must substantially increase economic activity at hotels within the city or its vicinity.

*Amount requested under this category:* \_\_\_\_\_

How many individuals are expected to participate in the sporting related event? \_\_\_\_\_

How many participants at the sporting related event are expected to be from another City or County? Quantify how the sporting related event will substantially increase economic activity at hotels within the city or its vicinity.

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Funding transportation systems for transporting tourists from hotels to and near the city to any of the following destinations: 1) the commercial center of the city; 2) a convention center in the city; 3) other hotels in or near the city; and 4) tourist attractions in or near the city.

*Amount requested under this category:* \_\_\_\_\_

What sites or attractions will tourists be taken to by this transportation:

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Will members of the general public (non-tourists) be riding on this transportation?

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What percentage of the ridership will be local citizens?

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**Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality.**

*Amount requested under this category:*

\$5400

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What tourist attractions will be the subject of the signs:

The interpretive signage will share information about our collections throughout the museum and grounds. The signs will inform the guests' experience, share historical information and impact the depth of our tours. Waysignage on the grounds will direct visitors where to go to pay admission fees, find the restrooms and various other facilities on the grounds.

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**Promotion and Preservation of Dark Skies.** Construction and maintenance of infrastructure and the purchase and installation of hardware that reduces light pollution and sky glow.

*Amount requested under this category:*

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Describe Construction or Maintenance Project to include location, type of infrastructure and/or hardware to be installed:

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### ***All Funding Requests***

***Section must be completed for city to evaluate this application. Incomplete applications are subject to automatic denial.***

**How many years have you held What is the expected attendance this Event/Project: of the Event/Project: 29 years / 3000 people**

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How many people attending the Event/Project will use Dripping Springs hotels:

UK

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How many nights will the attendees be staying for the Event/Project:

UK

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Do you reserve a room block for this event/project at an area hotel and if so, for how many rooms and at which hotels?

We do not reserve a room block, however, we would like to partner with hotels to offer special discounts/experiences for their guests.

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List other years (over the last three years) that you have hosted your Event/Project with amount of HOT grant funding and the number of hotel rooms used:

<u>Month/Year Held</u>	<u>Grant Amount</u>	<u>Number of Hotel Rooms Used</u>
2020	\$36,871.25	UK

How will you measure the impact of your event on area hotel activity (e.g.; room block usage information, survey of hoteliers, etc)?

We have a newly-implemented data tracking method for all guests. We will record guest count, residence zipcode, method by which they found us, and whether they are staying the night in DS. This will give us measurable analysis of impact. We also will plan and implement a partnership plan with local hotels to draw visitors with special promotions.

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Please list other organization, government entities, and grants that have offered financial support to your event/project:

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Admission Fee for Event/Project: \$5.00 per person regular admission

Anticipated Net Profit, if any: \_\_\_\_\_

Please list all promotion efforts your organization is coordinating, and the amount financially committed to each media outlet:

Newspaper:

DS Century News \$500

Internet: Social Media/Website \$800

Radio:

TV:

Other Paid Advertising:

Number of Press \_\_\_\_\_

Releases to Media: \_\_\_\_\_

4-6 annually \_\_\_\_\_

Number of Direct \_\_\_\_\_

Mailings to out-of-town recipients:

Other Promotions: Collateral materials at the Visitor's Bureau, State Fair, and local hotels.  
Promotions through the Chamber of Commerce and local club organizations.

Will you include a link to the Dripping Springs Visitors Bureau or other source on your promotional handouts and in your website for booking hotel nights during this event/project?

Yes, we already  
have the DSVB  
planning widget  
installed on our  
website.

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Will you negotiate a special rate or hotel/event package to attract overnight stays?

Yes, this is in line  
with our plan to  
partner with hotels

for special  
packages.

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**What new marketing initiatives will you utilize to promote hotel and convention activity for this event/project?**

We would like to offer free admission flyers encouraging hotel guests to visit the museum as part of their Dripping Springs experience. We would also like to partner with hotels to pull together "historic DS packages" that incorporate other businesses/areas such as downtown Mercer Street and the Mercer Street Walking tour map.

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**What geographical areas does your advertising and promotion reach?**

Hays, Travis and Comal Counties. Some events target a broader audience state-wide. The majority of our visitors are either from greater-Dallas area; Fredericksburg; San Antonio, or reside out of state.

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**How many individuals will your proposed marketing reach who are located in another city of county?**

Unknown, but the readership of our proposed print marketing reaches thousands.

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**If the funding requested is related to a permanent facility (e.g. museum, visitor center)?**

Expected Attendance Monthly/Annually:

3000 Annually

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Percentage of those in attendance that are staying  
at area hotel/lodging facilities:

70%

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Completed application with required attachments must be submitted to the City of Dripping Springs:

**By Mail to:**

City of Dripping Springs  
Attn: City Administrator  
PO Box 384  
TX 78620

**In Person to:**

City of Dripping Springs  
City Hall  
511 Mercer Street Dripping Springs,  
City of Dripping Springs, TX 78620

**Electronic Submission to:**

[mfischer@cityofdrippingsprings.com](mailto:mfischer@cityofdrippingsprings.com)

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I fully understand the Local HOT Grant Program Application and Guidelines established by the City of Dripping Springs. I intend to use this grant for the aforementioned Event/Project expenditure to forward the efforts of the City in *directly* enhancing and promoting tourism **and** the convention and hotel industry by attracting visitors from outside Dripping Springs into the city or its vicinity. I have attached to this application:

- proposed marketing plan for event/project
- schedule of activities for event/project
- a list of the organization/business board of directors
- proof of non-profit status (if applicable)
- proof of registered business with the State of Texas (if applicable), and

I understand that if I am awarded a Local HOT Grant by the City of Dripping Springs, I will be required to enter into a Local HOT Grant Program Agreement with the City and any deviation from the approved project and the Agreement may result in the partial or total withdrawal of the Local HOT Grant Program funds.

Friends of the Pound House Foundation/ Dr. Pound Farmstead Museum

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***Business/Organization Name***

*Jenny Pack*

April 30, 2021

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***Applicant's Signature***

***Date***

Betty Meyer, President  
8000 Mt. Sharp Road  
Wimberley, TX 78676  
[halbett13@aol.com](mailto:halbett13@aol.com)  
512-431-7839

Miles Mathews, Vice Pres  
144 Cats Eye Cove  
Dripping Springs, TX 78620  
[miles@hwmkglobal.com](mailto:miles@hwmkglobal.com)  
512-940-8554

Evan Webb, Treasurer  
1380 Pursley Rd.  
Dripping Springs, TX 78620  
[epwebb@gmail.com](mailto:epwebb@gmail.com)  
512-743-5846

Wanda Mauldin  
3716 Kandy Drive  
Austin, TX 78749  
[omesadieladywjm@gmail.com](mailto:omesadieladywjm@gmail.com)  
512-789-5135

Echo Uribe  
3805 Lone Man Mountain Rd  
Wimberley, TX 78676  
[Poundfarm.echo@gmail.com](mailto:Poundfarm.echo@gmail.com)  
512-796-7895

Laura Kirk  
629 Post Oak Dr.  
Dripping Springs, TX 78620  
[lbkirk@flash.net](mailto:lbkirk@flash.net)  
512-751-6902

Maggie Castleman  
  
512-633-7298  
[momsiecastleman44@gmail.com](mailto:momsiecastleman44@gmail.com)

Jenny Pack, Executive Director  
1519 Trebled Waters Trail  
Driftwood, TX 78619  
[pioneer@drpoundfarmstead.org](mailto:pioneer@drpoundfarmstead.org)  
562-682-7909



### **Itemized List of Expenditures**

#### **HOT Grant 2021**

##### **ADVERTISING:**

Visitors Guide Publications	\$1,500.00
Magazine Publications	\$2,000.00
Approved Event Sponsorship	\$2,000.00
Rack Cards & Brouchures	\$2,000.00
Social Media	\$500.00
Website	\$250.00
Newsletter	\$250.00
Founders Day	\$700.00
Staffing/Payroll	\$9,200.00

##### **PRESERVATION:**

Collections Storage	\$2,500.00
Heritage Oak Tree Care	\$2,000.00
Historic Rose Garden Maint.	\$1,500.00
Heritage Oak Irrigation	\$2,000.00
Roof Repair	\$2,500.00
Hot House Door Repair	\$1,000.00
Staffing/Payroll	\$10,000.00

##### **SIGNAGE:**

Interpretative Signage – (House)	\$500.00
Interpretative Signage – (Ground)	\$3,000.00
Wayfinding Signage	\$800.00
Staffing/Payroll	\$1,100.00





## MARKETING PLAN & SCHEDULE OF ACTIVITIES

### HOT 2021

The Friends of the Pound House Foundation will be launching a comprehensive marketing plan for 2021-2022 which targets out of town tourism and elevates our museum as a focal point for visitors.

We are coordinating with multiple local businesses and agencies to tie into the tourism market, from Dripping Spring Visitor's Bureau to Breweries who promote "Pound" beverages. We also feel that as we emerge from Covid and frame our focus on adding value to the Dripping Springs tourism market, we need to first ensure we can offer the best guest experience possible. By maintaining the preservations of our collections: including both family artifacts and the historic aspect of the grounds, we are able to sustain the history and heritage of Dripping Springs' first family and the stories of early settlers in the Hill Country region. Founders museum are quite rare in our nation. By making an investment in the Dr. Pound Farmstead, the City of Dripping Springs is not only supporting a tourist destination, it is preserving part of the town's story, which adds character and nuance to what may otherwise be only considered a "suburb of Austin".

Incorporating way signage and interpretative signage will elevate the guest experience, add depth to the historic education and provide access for all visitors. We propose that all signage funded through the HOT grant provide designation to the City of Dripping Springs and HOT grant public funds (see photo).





Our advertising will be in periodicals with large geographic distribution. Additionally, our targeted marketing will span both hotels and wedding venues. We will partner with local hotels to offer package deals for their guests, incorporating both collateral for the museum and the greater Mercer Street (historic walking tour). We will also reach out to wedding venues who offer “things to do” ideas for their clients and visiting guests with package promotions.

All projects in this proposal are ongoing and implemented in order of priority and funding. All projects will be implemented and complete by the end of the fiscal year, or grant period.



## TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

SUSAN COMBS • COMPTROLLER • AUSTIN, TEXAS 78774

January 16, 2014

FRIENDS OF THE POUND HOUSE FOUNDATION  
PO BOX 1150  
DRIPPING SPGS, TX 78620-1150

According to the records of the Comptroller of Public Accounts, the following exemption(s) from Texas taxes apply to the above organization(s):

Franchise tax, as of 07-30-1990

Sales and use tax, as of 07-29-1991

(provide Texas sales and use tax exemption certificate Form 01-339 (Back) to vendor)

The entity is not exempt from hotel occupancy tax.

Texas taxpayer identification number: 17425800004

This exemption verification is not a substitute for the completed exemption certificates that are required when claiming exemption from Texas taxes. Vendors should be familiar with the requirements for accepting the certificates in good faith from their customers.

This exemption verification does not mean that the organization holds a permit for collecting or remitting any Texas taxes.

Exempt organizations must collect tax on most sales. For more information, please see our publication Exempt Organizations. Sales and Purchases (96-122). Online registration is available.

For information concerning sales taxpayer permit status, please use the vendor search we provide online.

Corporations that are registered in Texas with the Secretary of State must maintain a current registered agent and registered office address. Information is available from Business and Nonprofit Forms page of the Secretary of State's Website. Additionally, out-of-state corporations, limited liability companies, or limited partnerships transacting business in Texas may need to file a Certificate of Authority or Registration with the Texas Secretary of State. More information is available from the Foreign or Out-of-State Entities page on the Secretary of State's Website.

Our publications and other helpful information are available on our website. If you need more information, write to us at exempt.orgs@cpa.state.tx.us, or call us at (800) 252-5555.