CITY OF DRIPPING SPRINGS

LOCAL HOTEL OCCUPANCY TAX GRANT FUNDING PROGRAM

By law of the State of Texas, the City of Dripping Springs, Texas, collects a Hotel Occupancy Tax (HOT) from hotels, bed & breakfasts, and other lodging facilities. Under state law, HOT revenue may be used only to directly promote tourism and the hotel and convention industry. **Chapter 351 of the Tax Code states that the use of HOT funds is limited to:**

- a) Convention Centers and Visitor Information Centers: 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;
- b) **Registration of Convention Delegates:** the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants;
- c) Advertising, Solicitations and Promotions that Directly Promote Tourism and the Hotel and Convention Industry: advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity;
- d) Promotions of the Arts that Directly Promote Tourism and the Hotel and 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, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms.
- e) Historical Restoration and Preservation Activities that Directly Promote Tourism and the Hotel and Convention Industry: historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums.
- f) **Sporting Event Expenses that Substantially Increase Economic Activity at Hotels:** 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.

g) 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; or 4. tourist attractions in or near the city.

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The law specifically prohibits the use of the local hotel tax to cover the costs for general city transit

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

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 i) 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.

The City of Dripping Springs, Texas, accepts applications from organizations and businesses whose program fits into one or more of the above categories. All requests for funds should be submitted in writing accompanied by the official application by May 1, 2020. The application will be reviewed by the Hotel Occupancy Tax Grant Program Application Review Committee at the earliest possible regularly scheduled meeting. The applicant may be asked to be present at the meeting to answer any questions regarding the application. Applicants will be notified one week prior to the meeting of the time and place for the review. Based on the application, the Hotel Occupancy Tax Grant Program Application Review Committee will make a recommendation to the City Council. The City Council will make the final decision on your request.

Priority will be given to projects and events based on their ability to generate overnight visitors to Dripping Springs. The requested amount should not exceed more than 50 percent of the gross amount of hotel night revenue predicted to be created by your event. Events can demonstrate this potential to generate overnight visitors by:

- a) historic information on the number of room nights used during previous years of the same events;
- b) current information on the size of a room block that has been reserved at area hotels to accommodate anticipated overnight guests attending the funded event;

- c) historical information on the number of guests at hotel or other lodging facilities that attended the event (through surveys, guest directories, or other sources); and/or
- d) examples of the planned marketing of the programs and activities that will likely generate overnight visitors to local lodging properties from this event.

Along with the application, please submit the following:

- Proposed Marketing Plan for Funded Event/Project
- Schedule of Activities Relating to the Funded Event/Project
- Board of Directors Contact Information
- Proof of Non-Profit Status (if applicable)
- Proof of Registered Business (obtained through Secretary of State)

Submit Completed Applications

to:

By Mail: In Person to: City of Dripping Springs City of Dripping Springs Attn: City Administrator City Hall PO Box 384 511 Mercer Street Dripping Springs, TX 78620 Dripping Springs, TX 78620

By Electronic Submission:

mfischer@cityofdrippingsprings.co m

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Timeline:

March 20 Application submission open, and application packets will be available on the City for download, for pick-up at City Hall (511 Mercer Street, Dripping Springs, TX), or by request to mfischer@cityofdrippingsprings.com.

May 1 Application submission deadline at 5:00 p.m.

May 4-15 City staff review of applications for administrative completeness and basic requirements.

May 18-27 HOT Grant Funding Program Application Review Committee discuss and provide funding allocation recommendations for City

Council.
July 14-21 City Council discuss HOT Grant Program funding requests.
September 8 City Council consider approval of funding recommendations in Fiscal Year Budget.
October 1 Executed agreements due for disbursement of funds from City Treasurer.
The City deadlines are only an estimate based on optimum circumstances related to the review, approval, and execution of the program and its agreements. These items could be delayed based on a variety of factors.

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Date: 05/01/2020

HOT GRANT FUNDING PROGRAM APPLICATION

Organizational Information

Name of Organization/Business: Dr. Pound Historical Farmstead

Address: P.O. Box 1150

City, State, Zip: Dripping Springs, Texas 78620

Contact Name: Jenny Pack

Contact Phone/Email: 512-858-2030 / pioneer@drpoundfarmstead.org

Website Address: https://drpoundfarmstead.org

Type of Business/Organization: Museum

Non-Profit Status: 501 c (3)

Tax ID Number: 74-2580000

Entity's Creation Date: January 1991

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 Historical 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.

Event/Project Information

Name of Event/Project: Implementation of Address Change: signage, mailing collateral and marketing collateral. Preservation Project painting of the exterior of the house and porch.

Date of Event/Project: October 1, 2020

Location of Event/Project: Dr. Pound Farmstead, 419-B Founders Park Road, Dripping Springs

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Description of Event/project: Due to development and construction, the physical address for our museum was automatically changed from its existing street address of 29 years. As part of the development agreement with the City, the Dr. Pound House will receive new fencing around the perimeter of our property. Therefore, once the new fencing is installed, we will need to replace all existing signage to reflect the new address. The change of address requires new gate signage; new mailing collateral; new marketing collateral, such as reprinted brochures and maps, and updates on our website as well as with all registered entities

In addition, the exterior of the heritage house and porch and in need of restoration painting. The house has not been painted in almost 10 years and is chipped, peeling and in disrepair.

Funding Amount Requested: \$4700

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

Gate Signage: \$1900, Directional Road Signage: \$350, Mailing Collateral: \$400, Marketing

collateral: \$525, Exterior Paint \$2400

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:

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

Amount requested under this category:

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

Amount requested under this category: \$925.00

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:

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: \$2400

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:

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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.
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:
Will members of the general public (non-tourists) be riding on this transportation?
What percentage of the ridership will be local citizens?
Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality.
Amount requested under this

category: \$1375

What tourist attractions will be the subject of the signs: The Dr. Pound Historical Farmstead Museum

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: 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.

What is the expected attendance of the Event/Project: 3,000

How many years have you held this Event/Project: 29 Years

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

hotels: UK

How many nights will the attendees be staying for the

Event/Project: NA

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? No

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:

Month/Year Held Grant Amount Number of Hotel Rooms Used

How will you measure the impact of your event on area hotel activity (e.g.; room block usage information, survey of hoteliers, etc)? We will measure impact by recording the total number of guests that visit the museum, including those visiting from out-of-town, and also by monitoring social media follows and comments.

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

Admission Fee for

Event/Project: \$5.00 per person

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Anticipated Net Profit, if any:

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

Newspaper: Century News \$250

Internet: Social Media/Website \$800

Radio: KDrip \$200

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 Chamber/Visitor's Bureau and local hotels. Promotions through the Chamber of Commerce and Dripping Springs Women's Club.

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? We have a Destination Dripping Springs "plan your visit" widget/link permanently on our website.

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

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

What geographical areas does your advertising and promotion reach? Hays, Travis and Comal Counties. Some events target a broader audience state-wide.

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

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

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Expected Attendance

Monthly/Annually: 3000 Annually

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

facilities: 70%

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

By Mail to: In Person to:

City of Dripping Springs City of Dripping Springs Attn: City Administrator City Hall PO Box 384 511 Mercer Street Dripping Springs, TX 78620 City of Dripping Springs, TX 78620

Electronic Submission

to:

mfischer@cityofdrippingsprings.co m

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.

Business/Organization Name Dr. Pound Historical Farmstead

Applicant's Signature Date Jenny Pack May 1, 2020

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Marketing Plan for Change of Address & Painting Project

After 29 years, the Dr. Pound Farmstead has new neighbors (and a new address). The construction of the Big Sky Development has changed the roadways entering Founders Park. As the only museum in Dripping Springs, and as one of the features of Founders Park, we offer a special amenity to the new residents of Big Sky and to all who visit our grounds. We will update all visible signage on the gates and grounds to reflect our new address. The Dr. Pound Farmstead would also like to add two new roadway markers directing traffic to the museum & park: one on Rob Shelton Blvd and another on Founders park Road. The gate signage will consist of a custom sandblast wood sign (logo/entrance) as well as laminated max metal (hours and admis. The road signage will be laminated max metal on a square post.

In addition to the signage, the Dr. Pound Farmstead will be updating all of our collateral materials including mailing supplies (envelopes, return address labels, stamps, etc.) and marketing materials (brochures, rack cards, maps, etc.) to reflect the new address.

Concurrently with the address update, the Dr. Pound Farmstead will complete a preservation project painting the exterior of the house and porch. It has been nearly 10 years since the heritage house was last painted and it is in disrepair. The paint will help protect, preserve and beautify the museum. Once complete, we will host a "we have moved" celebratory event, inviting neighbors from the Big Sky development to join us.

We will market this event as well as promote the museum in general, by creating a small welcome package which includes free admission and information about the Dr. Pound Farmstead to the new residents of the Big Sky community.

While this event mainly targets the bordering community, our highway signage, gate signage and painting restoration will draw visitors from all over. We will distribute our new marketing collateral to local hotels, through the visitor's bureau and through press releases and social media.



Schedule of Activities

HOT Grant Fund

Summer 2020 Update address on website, with county EMS (GPS), and all

registered entities such as the Texas Historical Commission

October 2020 Create new mailing collateral and marketing collateral

Install new gate signage

Install roadway signage

Issue press releases & social media posts

November 2020 Paint exterior of the house

Distribute welcome packets to residents of Big Sky

Distribute marketing collateral to all local agencies

2021 Host "We have moved" event



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 <u>permit</u> for collecting or remitting any Texas taxes.

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

For information concerning sales taxpayer permit status, please use the <u>vendor search</u> 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 <u>Business and Nonprofit Forms page</u> of the <u>Secretary of State's Website</u>. 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 <u>Foreign or Out-of-State Entities page</u> on the Secretary of State's Website.

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

Friends of the Pound House Foundation

Board of Trustees 2020/2021

Miles Mathews, President 144 Cats Eye Cove Dripping Springs, TX 78620 miles@hmwkglobal.com 512-940-8554

Betty Meyer, Vice President 8000 Mt. Sharp Road Wimberley, TX 78676 Halbett13@aol.com 512-431-7839

Sarah Henline, Secretary PO Box 1091 Dripping Springs, TX 78620 <u>shenline@maidpro.com</u> 972-849-9695

Amy Sullivan, Co-Treasurer 214 North Sage Hollow Dripping Springs, TX 78620 <u>Amysullivan109@hotmail.com</u> 512-789-0913

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