

Special Event Incubator Funding

Regulations, Application
and Post-Event Reporting Documents

Presented by the
Park Board of Trustees of the City of Galveston

601 Tremont, Suite 200
Galveston, Texas 77550



GALVESTON

★ ISLAND ★

Convention & Visitors Bureau

Overview of the Funding Process

The Galveston Island Convention & Visitors Bureau reviews current and prospective events for Galveston, giving special emphasis to events that produce overnight business for the Island and promote out of town visitors. Other considerations include image compatibility, potential media coverage, measurability, continuity, time of year, opportunities for growth of events and extent of city services related to an event.

The following application establishes regulations that apply universally to all events requesting Hotel Occupancy Tax (HOT) funds in the form of Park Board Special Event Incubator funds. There are stringent requirements in the Tax Code regulating the expenditure of HOT funds. A copy of the applicable sections of the Tax Code has been included at the end of this packet for your review.

FUNDING REGULATIONS:

Funding Purpose

The purpose of this funding is to assist and support events, not to be the primary patron of either the event or the fundraising beneficiary. The funded amount must not exceed 50% of the total operating budget for the event.

In addition, a minimum of 50% of approved funding must be used toward advertising the event, and the organizer's advertising expenditure must match or exceed that amount.

Funding is only available to new, start-up events. **Established events are not eligible.**

Funding Source and Tracking

Since the funding source is hotel occupancy tax, it is the responsibility of the event promoter to monitor the number of out-of-town guests who stay in Galveston lodging properties. **The event promoter is responsible for selecting one of the approved methods below to calculate hotel room nights generated by the event.** The event promoter must work closely with the Galveston Island CVB to ensure proper room night calculation.

Method A - Hotel Room Block: total number of contracted room nights

If you have any questions, please contact Bryan Kunz, Special Events Manager of the Galveston Island CVB at 409-797-5157 or email bkunz@galvestoncvb.com.

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Method B - Out of Town Ticket Sales/Registrations: number of tickets sold outside of Galveston region (75 or more miles outside Galveston), multiplied by .61 will be the total room night count

Method C - Total Attendance: total verified attendance multiplied by .045 will be the total room night count. Event promoter must provide verifiable attendance figures

NOTE: Promoter may also choose to utilize Galveston Island Convention

and Visitors Bureau's Room Demand Calculator software to determine total room nights.

Please note that room night calculations will be reviewed and verified by CVB staff. Room nights generated in other surrounding areas do not fulfill the requirements of the state law and will not be credited to your event.

Maximum Funding Available

The maximum funding an event may receive is \$10,000 annually. An event may apply for funding for no more than the first three years, and must submit a new application each year. Final funding amount will be based upon a return on investment calculation as follows:

Max Funding Available equals Total Hotel Room Nights (TRN) using one of the three methods above multiplied by Average Daily Rate (ADR) of Galveston hotels, divided by seven, or:

$$\text{Max Funding} = (\text{TRN} \times \$132) \div 7$$

Examples

Hotel Calculation Method A: Hotel Room Block

Event A contracted 375 TRN with hotels across the island.

$$\text{Total Room Nights} = 375 \text{ TRN}$$

$$\text{Estimated ROI} = 375 \text{ TRN} \times \$132 \text{ ADR} = \$49,500 \div 7 = \mathbf{\$7,071}$$

Maximum Funding

Hotel Calculation Method B: Out of Town Ticket

Sales/Registrations Event B sold 750 tickets to out-of-town participants.

$$\text{Total Room Nights} = 750 \times .61 = 457 \text{ TRN}$$

$$\text{Estimated ROI} = 457 \text{ TRN} \times \$132 \text{ ADR} = \$60,324 \div 7 = \mathbf{\$8,617}$$

Maximum Funding

Hotel Calculation Method C: Total Attendance

Event C had 10,000 verified attendees

$$\text{Total Room Nights} = 10,000 \text{ attendees} \times .045 = 450 \text{ TRN}$$

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$$\text{Estimated ROI} = 450 \text{ TRN} \times \$132 \text{ ADR} = \$59,400 \div 7 = \mathbf{\$8,485}$$

Maximum Funding

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Each event may receive funding for a maximum of the first three (3) years of the event.

Approval

All funding applications must be received **no later than 180 days** prior to the first event day. The Galveston Park Board's Tourism Development Advisory Committee (TDAC)

reviews the applications on a case-by-case basis. Then, a recommendation is made to the Galveston Park Board on the amount of funds to allocate to the particular special event. Estimated funding amount will be determined by the formula above. Final approved amount will be determined after the event, based on calculations using actual event numbers, and could be lower than the projected amount. Final amount will not exceed the initial projected amount.

Disbursement of Funds

All funds will be disbursed after the event, upon verification and approval of maximum funding calculations.

No funds will be disbursed if the event does not take place for any reason. Event promoters are encouraged to obtain special event weather insurance.

Post-Event Procedures

In order to receive funds, the promoter must:

- a. Submit completed Post-event Analysis Form no later than 30 days after the conclusion of the event.
- b. Submit a complete post-event report no later than 30 days after the conclusion of the event.

*Promoters should expect a minimum of 30 days after final approval of funding amount to receive funds.

If you need assistance in completing the application or have further questions, please do not hesitate to contact Bryan Kunz, Special Events Manager for the Galveston Island Convention & Visitors Bureau at 409-797-5157 or via e-mail at bkunz@galvestoncvb.com.

*Note: the City of Galveston may charge the promoter a fee of \$1 per attendee if public rights-of-way are utilized for an event.

If you have any questions, please contact Bryan Kunz, Special Events Manager of the Galveston Island CVB at 409-797-5157 or email bkunz@galvestoncvb.com.

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Funding Application Considerations Checklist

Name of Event: Emancipation Celebration

The event "directly enhances and promotes tourism AND the convention and hotel

industry." (Tax Code, Section 351.101).

_____ The application is filled out thoroughly and completely.

_____ Proposed advertising plan is included.

_____ Organizer has selected a method to account for hotel room nights. _____

Application is being submitted more than 180 days in advance of the event. **Please note:**

All items must be completed before the application can be submitted.

If you have any questions, please contact Bryan Kunz, Special Events Manager of the Galveston Island CVB at 409-797-5157 or email bkunz@galvestoncvb.com.

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Galveston Park Board Application for Special Event Incubator Funding

Event / Promoter Information

Event Name Emancipation Celebration
Event Date(s) June 17,2022
Event Location 1984 Grand Opera House, 2020 Post Office Street, Galveston, TX
Sponsoring Organization/Promoter Name NIA Cultural Center, Incorporated
Tax ID Number 76-0375902
Tax Filing Status 501 (c)3

Contact Information

Event Coordinator Name Sue Johnson
Street Address P.O. Box 1491
City/State/Zip Galveston, TX 77553-1491
Daytime Phone Mobile Phone Fax 409-765-7086
Coordinator E-Mail suejohnson@niacultural.org

If you have any questions, please contact Bryan Kunz, Special Events Manager of the Galveston Island CVB at 409-797-5157 or email bkunz@galvestoncvb.com.

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Event Description

Please describe the event, including number of expected participants, activities planned, schedules, etc. Attach additional documents as needed.

June 20, 2022, marks the first year that Juneteenth will be celebrated as a federal in the United States commemorating the emancipation of enslaved African-Americans. Originating on the sands of Galveston, Texas, Juneteenth has been acknowledged annually on June 19th, since 1865. This monumental day of history was signed into law as the Juneteenth National Independence Day Federal Holiday on June 17, 2021, by President Joe Biden.

On Friday, June 17, 2022 the Nia Cultural Center will host the Emancipation Celebration, celebrating the legacy of Juneteenth at the Grand Opera House located at 2020 Post Office Street in Galveston. This event will honor pioneers on the national and local level who have made their mark in history by fighting for freedom, equality, and

justice for African Americans. This recognition will be highlighted with awards, guest speakers and live entertainment from local, regional, and national talent.



If you have any questions, please contact Bryan Kunz, Special Events Manager of the Galveston Island CVB at 409-797-5157 or email bkunz@galvestoncvb.com.

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Event Projections

Total Attendance Operating Budget \$50,000

Hotel Room Night Projection

Select one of the methods below and complete the calculation to project Total Hotel Room Nights (TRN) associated with the event. The method you select here will be the method used to determine final funding amount after the event.

A. **Hotel Room Block** – Number of contracted rooms with Galveston hotels = _____ TRN

B. **Ticket Sales/Registrations** – Number of tickets/registrations sold 75 or more miles outside Galveston ___800_____ x 0.61 = ___488_____ TRN

C. **Total Attendance** – Total attendance _____ x 0.045 = TRN

Maximum Funding Projection

Using the Total Hotel Room Nights (TRN) calculated above, please complete the following formula to determine the proposed maximum funding amount. The final approved funding amount will be determined after the event based upon verifiable actual numbers from the event, and could be lower than the projection below.

$$488 \times \$132 \text{ (Average Daily Rate)} = 64,416 \div 7 = \$9,202 \text{ Proposed Max. Funding}$$

If you have any questions, please contact Bryan Kunz, Special Events Manager of the Galveston Island CVB at 409-797-5157 or email bkunz@galvestoncvb.com.

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Proposed Fund Usage

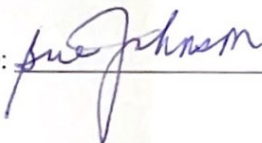
Please describe in the space provided below: 1) How the funds you are requesting will be used. 2) How you will enhance and promote tourism and the convention and hotel industry. Please be specific. Attach additional documents if needed.

The funds will be used to cover marketing, performance fees, travel and lodging for the featured performers.

We will enhance and promote tourism and the convention and hotel industry by publicizing the event on the Visit Galveston Website, the Nia Cultural Center's website, social media, flyers and email blasts, radio and print media in area markets.

We will promote the Visit Galveston Website on our webpage and our social media pages to call attention to the wide variety of events and attractions that encourage overnight stays.

The above information is accurate and true to the best of my knowledge.

Authorized Signature:  Date: 5/23/2022

Print: Sue Johnson, Executive Director

Return the completed application above, along with your proposed advertising plan, event budget and any additional documents to Galveston Island CVB, 601 Tremont, Suite 200, Galveston, TX 77550 or email to bkunz@galvestoncvb.com.

If you have any questions, please contact Bryan Kunz, Special Events Manager of the Galveston Island CVB at 409-797-5157 or email bkunz@galvestoncvb.com.

Post Event Analysis Form

Event Name

Event Date(s)