

Program Overview:

Visit Galveston operates the Juneteenth Incubator Program to provide support for current and prospective Juneteenth events in Galveston that produce and promote overnight business and out of town guests. Applicants' proposals must fit one or more of the Hotel Occupancy Tax (HOT) categories prescribed by state law. Funding decisions are based on criteria that includes, but is not limited to, marketing efforts, identified metrics, economic impact, HOT funds applicability, and more.

Application Guidelines:

The following guidelines establish rules that apply universally to entities requesting HOT funds from Visit Galveston's Incubator Program. Stringent Tax Code requirements regulate expenditure of HOT funds, and those requirements are reflected in the accompanying rules and procedures. A copy of the applicable sections of the Tax Code have been included in this packet.

1. Applications must be complete to be considered for funding. Incomplete applications will not be considered. All applicants are responsible for ensuring that their request is complete, true, and accurate to the best of their knowledge.
2. Funding must enhance and promote tourism and accommodations in Galveston. In order to receive funding, all proposed tourism products must satisfy requirements for use of Hotel Occupancy Tax funds under Texas law. See Texas Tax Code Section 351.101 for allowable uses of HOT funds.
3. A minimum of 50% of awarded funding must be used for advertising, and the total advertising expenditure must match or exceed 50% of awarded funding. Advertising should focus on areas outside of Galveston. Invoices and receipts for expenditures must be included in reporting.
4. Funding awards will not exceed a maximum of \$20,000. Dependent on funding availability, requests may be approved for partial funding.
5. Funding may be awarded on a reimbursement basis, and funds may be disbursed after the proposed activities upon verification and approval of reports. Applicants should expect a minimum of 30 days after the final approval of funding to receive funds in the case of a reimbursement grant. The grant review committee will determine the applicability of reimbursement grants on a case-by-case basis.
6. No funds will be disbursed if an event does not take place for any reason. Event organizers are encouraged to obtain special event weather insurance. If a grant award is distributed before an event takes place and that event does not take place for any reason, grant funds must be returned in full in a timely manner.
7. Organizations must maintain and account for revenue provided from this tax authorized by Texas Tax Code Section 351.101 (a) by maintaining a separate checking account without commingling with any other revenues or maintaining in any other bank account.

Application Review:

Applications will be reviewed by Visit Galveston staff for completeness and suitability, and if appropriate, will be recommended to the Park Board's Tourism Development Advisory Committee for review and recommendation to the Park Board of Trustees for approval. Applicants are asked to make themselves available during this process to answer questions from Park Board staff, committee members, and trustees. Decisions made by Park Board staff, committee members, and trustees are final.

Reporting Guidelines:

Recipients must submit complete, true, and accurate final report documents to Visit Galveston in a timely manner. It is the responsibility of recipients to track and provide the required information. Failure to provide adequate, accurate, and timely reporting on the use of Juneteenth Incubator funds could result in denial of future applications.

1. All applicants must submit a completed Final Report form and supporting documents within 60 days of the conclusion of the proposed activities, or the expenditure of all funds, whichever comes first. See the Final Report form and document checklist.
2. Full and complete financials must be provided as part of the final report, and upon request, for activities supported by this funding. See Final Report document checklist for specific financial reports required.
3. Applicants are encouraged to provide photos and videos from the proposed activities as part of the final report.

HOT Funding Requirements and Categories:

Stringent Tax Code requirements regulate expenditure of HOT funds, and to be considered for funding all proposed activities must fit within the prescribed uses. Those uses are determined by a two-part test in which both parts must be satisfied to be eligible for HOT funds. First, expenditure of HOT funds must attract overnight guests to Galveston's hotels, motels, short-term rentals, and other businesses in the accommodation industry. Second, the proposed expenditure must fit within one of the categories outlined in Texas law. Categories include:

1. Advertising and promotional programs to attract tourists