

**CITY OF FAIRVIEW HEIGHTS
BUSINESS ALLIANCE COMMISSION (BAC)
Special Called Meeting
TUESDAY, FEBRUARY 9, 2016 – 1:30 P.M.
MEETING ROOM A
FAIRVIEW HEIGHTS CITY HALL
10025 BUNKUM ROAD**

AGENDA

1. CALL TO ORDER
2. CITIZENS' COMMENTS
3. REVIEW RECOMMENDATIONS OF HOTEL/MOTEL FUND GRANT SUBCOMMITTEE CONCERNING APPLICATION REVISIONS AND ALLOCATION CRITERIA OF HOTEL/MOTEL TAX GRANT FUNDS
4. RECOMMEND APPLICATION REVISIONS AND ALLOCATION CRITERIA FOR HOTEL/MOTEL TAX GRANT FUNDS TO FINANCE COMMITTEE MEETING ON FEBRUARY 10, 2016 AT 7:00 P.M.
5. ADJOURN

DRAFT



HOTEL / MOTEL TAX GRANT FUNDING PROGRAM

**City of Fairview Heights Hotel / Motel Sub-Committee
Applicant Packet**

Adopted: January 20th, 2015, Updated & Recommended for Acceptance: February 9th, 2016.

Approved by City Council:

DRAFT

January 27, 2015 February, 2016

Dear Potential Hotel / Motel Grant Applicants,

The City of Fairview Heights ~~Hotel / Motel Sub-Committee~~ Business Alliance Commission (BAC) appreciate your interest in the Hotel/Motel Grant Funding Program. The funding for this program is generated from a local tax applied to overnight stays at hotels in Fairview Heights. The purpose of the program is to promote overnight stays in local hotels by providing funding assistance to events, projects, and capital expenses that bring people to our community. Therefore, projects that encourage overnight stays are preferred in accordance with State statutes.

This packet is designed to provide you with all the documents needed from beginning to end of the funding cycle. Please refer to the checklist provided on the following page to assist you throughout the process. Funding will cover expenses in Fiscal Year ~~20162017~~, which runs from May 1, ~~20152016~~ to April 30, ~~20162017~~. Expenses can occur only during this time period. Please try to be as complete as possible within the application. For those questions which do not apply to your application, simply insert "n/a" or "not applicable". You may also attach additional documentation, as you feel necessary.

One hard copy and one electronic copy of your application must be received at the Fairview Heights Municipal Complex, 10025 Bunkum Road, Fairview Heights, Illinois 62208 by 5:00 p.m. on ~~Wednesday~~ Tuesday, February 11th February 29, 2016 – no exceptions. The applications should be marked to the attention of Becky Short, Executive Secretary. Electronic versions can be sent to mayor@cofh.org.

All applications will be ~~reviewed by~~ submitted to Becky Short, Staff Liaison, and referred to the Hotel-/Motel Sub-Committee the Director of Economic Development on Wednesday, February 18th at 7:00 p.m. Based on guidelines of the attached policy, ~~our committee~~ the Director and Review Committee* shall make funding recommendations to the City's Aldermanic Finance Committee. Following a review by the Finance Committee, the awarding of funds concludes via adoption of a Resolution by the City Council.

If you have any questions regarding the process and/or City requirements, please refer to the "City Contacts" list provided within the packet. Thanks again for your interest in this program. We look forward to receiving your application.

Respectfully,

Chuck Daily,
Chairman, ~~City of Fairview Heights Hotel / Motel Sub-Committee~~ Business Alliance Commission Subcommittee

*Mayor, City Administrator, Director of Economic Development, Finance Director, Land Use and Development Director, and City Attorney

DRAFT CHECKLIST

APPLICANT: _____

_____ Grant Application (Exhibit "A" or "E" – see procedures) is completed and signed.

_____ One paper copy and one electronic copy is submitted to the City's Staff Liaison.

For Committee / City Use Only

Hotel / Motel Sub-Committee Review:

_____ Application Denied _____ Forwarded to Ald. Committee \$ _____ Funding Amount

_____ Considered by Review Committee

_____ Recommendation to Finance Committee

_____ Finance Committee Recommendation

City Council Review:

_____ Funding Denied _____ Funding Approved \$ _____ Funding Amount

Post Award Requirements

_____ Exhibit "B" (Hotel/Motel Tax Funding Agreement) has been completed by both parties.

_____ Exhibit "C" (Waiver and Release) has been completed and signed by organization.

_____ All applicable permits / licenses have been acquired by the Organization.

_____ Not Applicable

_____ Reviewed by Director of Land Use & Development

_____ Reviewed by Director of Parks and Recreation

_____ Reviewed by Liquor Commissioner

_____ All Insurance requirements/forms have been submitted.

_____ Not Applicable

_____ Staff Review / Initials

_____ Funds Distributed

DRAFT

_____ Exhibit "D" (Post-Event Report) has been completed and returned to the City for 2015.

DRAFT CITY CONTACTS

NAME	TITLE	PHONE #	EMAIL
Becky Short	Staff Liaison	618-489-2010	mayor@cofh.org
<i>For assistance with: application submission, meeting announcements, liquor license.</i>			
Angie Beaston	Director of Parks & Recreation	618-489-2040	beaston@cofh.org
<i>For assistance with: park reservations, scheduling of events on park grounds, etc.</i>			
Tim Tolliver	Director of Land Use & Development	618-489-2060	tolliver@cofh.org
<i>For assistance with: permits and code enforcement.</i>			
Scott Borrer Gina Rader	<u>Interim</u> Director of Finance	618-489-2050	rader@cofh.org
<i>For assistance with: disbursement of funds, reimbursements, post-event reporting.</i>			
Mike Malloy	Director of Economic Development	618-489-2010	malloy@cofh.org
<i>For assistance with: marketing efforts <u>or application questions-</u></i>			
Cathy Bryant	Deputy City Clerk	618-489-2000	bryanca@cofh.org
<i>For assistance with: insurance requirements.</i>			

DRAFT

HOTEL / MOTEL TAX GRANT FUNDING POLICY

Background:

Per City Code 36-2-7, proceeds resulting from the imposition of the Hotel/Motel Tax shall be appropriated into a special fund to be used and applied for the promotion and development of tourism and conventions in the City of Fairview Heights. The primary responsibility of the “City of Fairview Heights Hotel / Motel Sub-Committee” is to convene and make recommendations to the City Council as to the orderly disbursements of funds collected. As a “Home Rule Municipality”, the City Council reserves the right to utilize Hotel/Motel tax funds towards general operations.

Policy:

It is the express intent of the City Council and the “Hotel/Motel Grant Funding Program” that residue taxes collected and available from the Hotel/Motel Tax Fund are to be used for the following purposes:

1. Community Cultural Events
 - a. Continuing event heritage.
 - b. Nurture new events.
2. ~~Tourism / Marketing~~
 - a. ~~Promote the community to potential tourists.~~
 - b. ~~Improve the hospitality of the community.~~
3. ~~Community Capital Improvements~~
 - a. ~~Improve the ability to support tourism.~~
 - b. ~~Improve the hospitality of the community.~~
 - c. ~~City beautification efforts.~~

Further, it is the intent of the City Council that an event receiving a grant may have funds split among the following expense categories that will then be apportioned to the above purposes:

1. Direct event programming costs.
2. City services needed to protect public safety and property.
3. Promotional and marketing costs.
4. Permanent beautification or public improvement costs.

Procedural Guidelines:

1. Grant application requests shall be in writing using a common format/form.
 - a. For requests in excess of \$2,500 use “Exhibit A”
 - b. For requests equal to or below \$2,500 use “Exhibit E – Short Form”
2. Requests shall be submitted ~~annually~~ by ~~the first Monday in~~ February 29th.
3. The City’s staff liaison shall assemble the grant request packets and forward the completed requests to the City Review Committee.
4. ~~As a guideline, the City’s Director of Finance shall annually provide a memo to the committee which provides an estimated amount of funds available for allocation.~~
5. ~~At a meeting date and time determined by the Chairman of the Hotel / Motel Sub-Committee, the committee shall analyze all grant requests and comply with the policies and procedure~~

DRAFT

~~guidelines provided by the City Council. Generally the meeting shall be held in mid-February or as needed.~~

~~5-6.~~ The Director of Economic Development shall collect all grant application submissions and distribute to the Review Committee* for a future meeting.

~~6-7.~~ The Finance Director Review Committee shall report via memo ~~on the sub-committee meeting~~ and display the requested amount vs. the recommended grant decisions to the Aldermanic Finance Committee.

~~7-8.~~ The Finance Committee shall review the committee's recommendation and forward a funding resolution to the City Council.

~~8-9.~~ The City Council shall approve the grant awards by resolution upon review of committee recommendation and with regard to budget restrictions and conformance with policy and procedure guidelines established herein.

~~9-10.~~ The "Hotel/Motel Tax Funding Agreement" (Exhibit "B") shall be executed by the Mayor of the City of Fairview Heights and the receiving organization.

~~10-11.~~ The "Grant Waiver and Release" (Exhibit "C") shall be executed by the receiving organization.

~~11-12.~~ Funds shall be disbursed in a lump sum or another manner that clearly accounts for all funds used and as requested. Reimbursements of expenses shall be paid quickly to preserve vendor discounts or avoid late payment penalties.

~~12-13.~~ Reimbursements may be submitted as expenses are incurred. However, in the event an applicant who receives a reimbursement fails to fully execute the event due to negligent activity that results in citation or permit being revoked, the organization may be required to return the reimbursement and not be eligible for future grant awards until the amount is repaid.

~~13-14.~~ Changes in the use of grant funds (as stated in the application) after funds have been awarded must be requested to the Committee in writing. The Committee shall review the request and make a recommendation to the City Council for approval or denial.

~~14-15.~~ Event data shall be summarized and reported to the Committee within 90 days of the end of the event or program. A complete financial accounting will be included on a form provided by the Committee (Exhibit "D").

~~15.~~ Examples of eligible expense category are as follows:

a. Community Cultural Events

- i. Art Fairs / Exhibits/Festivals
- ii. Art Education

b. Tourism/Marketing

- i. City Maps / Brochures
- ii. Website Operations
- iii. Partner with local events and/or hotels to support their occupancy

c. Community Capital Improvements

- i. Buildings & Structures
- ii. Signage
- iii. Planters
- iv. Public Benches

DRAFT

Conclusion:

The Hotel/Motel Tax funds should be used to develop the culture and heritage of the community that helps define the community and make it attractive to visits by non-residents, and in all other respects nurtures our community as a point of destination for the traveling public*. The overall goal is to increase the number of hotel stays in our community and to extend the stays of travelers and thereby increasing taxes for funds available to the city.

*and increasing the appeal for new businesses and quality of life for the residents of Fairview Heights.

DRAFT
EXHIBT "A"

HOTEL/MOTEL FUND GRANT APPLICATION

(For Requests in excess of \$2,500)

Organization Information

1) Name and Address of Applicant (Organization):

2) Website Address: _____

3) Contact Person:

a) Name: _____

b) Phone: _____

c) Fax: _____

d) Email: _____

4) Is this a Non-Profit Organization? Yes _____ No _____

5) Status of Organization (i.e. Foundation, Corporation, etc): _____

6) Agency Tax ID # _____

Event Information

7) Fiscal Year of the Event: ~~2015-2016~~ 2016-2017

8) Name of the Event: _____

9) Date(s) of the Event: _____

10) Location of the Event: _____

11) Description of the Event:

DRAFT

12) Funding Request Amount: \$ _____

13) Projected Attendance for the Event: _____

14) Expected Overnight Stays for the Event: _____

15) Description / Purpose of Funding Request:

16) Other Sources of Project Funding:

Individual Donations: \$ _____

Grants: \$ _____

Private Businesses: \$ _____

17) Do you anticipate the need for "in-kind" services from City resources or staff? If so, please describe the nature of your request along with an estimated number of hours needed.

18) Continuing / New Activity:

a) Is this event... New _____ Continuing _____

b) Do you expect it to be an Annual Event? Yes _____ No _____

c) Do you anticipate requiring regular and continued funding? Yes _____ No _____

d) Did you receive funding last year? Yes _____ No _____

e) If "d" = yes,

i) What amount did you receive? \$ _____

ii) Did you meet the Post-Event Reporting Requirements? Yes _____ No _____

DRAFT

19) Sponsors

If applicable, please list key sponsors that donate funds or provide “in-kind” services, along with the pledged amount anticipated for the event.

SPONSOR	AMOUNT OF SPONSORSHIP
1	
2	
3	
4	
5	

20) Benefits to City Tourism:

Describe how this activity attracts and/or contributes to tourism and overnight stays in the City of Fairview Heights.

21) Additional Information:

Provide any additional information which will assist the City in evaluating your project and its benefit to the City of Fairview Heights (attachments are welcomed).

DRAFT

22) Event / Project Budget

Please list all revenues and expenses, on a separate sheet (similar format) if necessary. Complete project expense information must be provided on this document. Quoted estimates must be provided when possible and when not possible, describe in an attachment how the expense was estimated.

Revenues:

Hotel / Motel Tax Grant	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

Total Revenues: \$ _____

Expenses:

Expenditure Types	Amount
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

TOTAL EXPENSES: \$ _____

DRAFT

23) If you are a previous recipient of Hotel/Motel Funds, attach Exhibit "D". If previously provided, please disregard.

24) Attach Event Plan and Budget; Timeline for upcoming event; Marketing efforts

25) Can event occur without city financial assistance: yes no

26) Has event previously been held in Fairview Heights: yes no If yes, how many years in existence?

27) Projected sales tax generation: Event _____ Indirect _____

28) Number of volunteers associated with event? _____

29) Nonprofit or for profit event? _____

30) Address security, traffic control for event, and Health Department and Fire Department approval in Event Plan?

31) Why should event be funded? Attach narrative.

I certify the information contained in this application is complete, accurate, and fully discloses the scope and intent of my request for funding from the Hotel/Motel Tax Grant Program. I agree to comply with the City's requests for information regarding the use of awarded funds and to provide access to accounting records related to these funds.

By signing this application, I accept and agree to be bound by the terms and conditions of the Hotel/Motel Tax Grant Program as administered by the City of Fairview Heights in compliance with current federal, state and local laws.

Applicant

Signature of Representative / Officer

Title

Date

DRAFT
EXHIBIT "B"

Hotel / Motel Tax Funding Agreement

This sets forth the agreement ("Agreement") between the City of Fairview Heights ("City") and

_____ (the "Organization"), with its principal place
of business at _____, relating to the use of Hotel/Motel Tax Funds.

1) Use of Funds

The Organization agrees to use the Funds for the Event/Project described in the Hotel/Motel Tax Funding Application. The application is attached as Exhibit "A" to this Agreement and incorporated herein by reference. The Organization agrees that any Hotel/Motel Tax funds received can only be used to directly promote tourism and the convention and hotel industry, in accordance with State Statutes

2) General Terms

- a) Location: The Organization agrees the Event must be located in the City of Fairview Heights corporate limits, extra-territorial jurisdiction or in sufficiently close proximity as to reasonably attract tourists to the City of Fairview Heights.
- b) Status of Organization: The Organization must be an organization or corporation governed by a board of directors. Applicant must also be in good financial standing and financial safeguards in place to protect public funds.
- c) Promotional Materials and Sponsorship: The Organization agrees that any promotional material must contain the City of Fairview Heights "Crossroads of Prosperity" logo, which can be supplied by the City upon request. The Organization also agrees the City must be listed as a sponsor/partner of the event or project. The Organization agrees to provide a copy of all advertisements for the Event/Project.
- d) Audit: The Organization agrees the City has the right to audit the books or financial records of Organization if it receives Hotel/Motel Occupancy Tax revenues.
- e) Notification Requirements: The Organization agrees to notify overnight lodging establishments in writing of the upcoming Event and provide the City with proof of that notification.

3) Permits & Licenses

If applicable, the Organization agrees to comply with all permits and license requirements of the event, and acknowledges the receipt of the Hotel/Motel Tax Grant is contingent upon a review of such by the Director of Land Use & Development, Director of Parks & Recreation, and Liquor Commissioner.

4) Insurance

Any organization receiving Hotel/Motel Tax Grant Funds shall be required to meet the current conditions set forth within the City's Revised Code of Ordinances section 29-2-1 (Group Activities). Those requirements include the following:

- Original Certificate of Insurance (Public Liability Insurance - \$1,000,000 per occurrence) must be submitted to the City Clerk's Office ten (10) working days prior to the event.

DRAFT

- In the event liquor/beer is sold at the event, an Original Certificate of Insurance must be directed to the Liquor Commissioner (Liquor Liability - \$1,000,000 per occurrence) ten (10) working days prior to the event.
- Carnival Ride Companies will be required to provide an Original Certificate of Insurance (Liability Coverage - \$1,000,000 per occurrence) ten (10) working days prior to the event.

5) Reporting and Reimbursement

The Organization is responsible for completing the Post Event Report Form (Exhibit "D") with the finalized information explaining the Hotel Occupancy Tax Revenues within 90 days of the Event. The Organization must provide receipts for review to affirm that the expenses comply with the stated purposes during the application process. The report will be reviewed by City staff and the Tourism Committee. Failure to submit the report may result in future funding disqualification.

6) Termination

Either party may terminate this Agreement if the other commits a material breach of this Agreement; provided, however, that the terminating party has given the other written notice and the other party has failed to remedy or cure the breach within ten (10) days of such notice.

7) Remedies

If the City terminates this Agreement as a result of the Organization's breach, then in addition to any other remedies to which the City may be entitled by reason of such breach, the City shall have the right to the recovery of all Hotel Occupancy Tax Revenues distributed to the Organization upon request. In addition, the City shall have the right to any attorney's fees incurred in the recovery of Hotel Occupancy Tax funds given to the Organization.

8) Venue

Venue for any dispute arising out of this Agreement shall be in St. Clair County, Illinois.

City of Fairview Heights

Applicant / Recipient

By: _____

By: _____

Name: _____

Name: _____

Title: Mayor

Title: _____

Date: _____

Date: _____

DRAFT

EXHIBIT "C"

HOTEL / MOTEL GRANT WAIVER AND RELEASE OF ALL CLAIMS

Whereas, _____ ("Organization") has applied for and been approved by the City of Fairview Heights ("City") for a grant of Hotel / Motel Tax funds for _____.

NOW, THEREFORE, in consideration of the grant of Hotel / Motel Tax funds from the City, Grantee hereby agrees that in the event that, or as a result of the program or event sponsored by the Grantee, the City is made a party defendant in any litigation or any claim or demand is made against the City, the Grantee shall defend, indemnify, and hold harmless the City, its officers, agent, commissioners, and employee, individually and collectively, from and against any and all suits, claims, demands, set offs, or other actions, including but not limited to judgments arising therefrom. The obligation of the Grantee shall include and extend to payment of reasonable attorneys' fees for the representation of the City and its said officers, agents, commissioners, or employees in any litigation or investigation and includes expenses, court costs, and all other fees associated with any litigation, claim, or demand, or appeal.

ORGANIZATION / GRANTEE: _____

SIGNER: _____

TITLE: _____

DATE: _____

DRAFT
EXHIBIT "D"

POST-EVENT REPORT

ORGANIZATION INFORMATION

Fiscal Year of the Event: ~~2015—2016~~ 2016-2017

Name of the Event: _____

Date(s) of the Event: _____

Funding Amount Received: \$ _____

Contact Name: _____

Contact Phone Number: _____

PROJECT OR EVENT

The Organization is encouraged to attach copies of receipts, contracts, etc which display the use of the grant funds received.

How were the funds actually used?

What was the actual percentage of events costs covered by the grant? _____%

If applicable, what was the estimated hours of "In-Kind" services provided by city staff? _____

What is your estimate of the actual attendance at the event? _____

Number of volunteers participating in event _____

How many room nights were generated at Fairview Heights hotels by attendees of this event? _____

What issues, if any, could be better addressed in the future _____

DRAFT

What method did you use to determine the number of room nights generated?

What marketing initiatives did you utilize to promote hotel and activity for this event?

Please Submit completed form to:

City of Fairview Heights
Attn: Becky Short, Executive Secretary
10025 Bunkum Road
Fairview Heights, IL 62208

HOTEL-MOTEL TAX GRANT APPLICATION SCREENING EVALUATION WORKSHEET

			Score 0 = Very Weak; 25 = Weak; 50 = Fair; 75 =				
	4 YEARS OF EXISTENCE OF EVENT IN FAIRVIEW HEIGHTS	Years					100
	Enter the number of years event has been in existence	0	0	1	0		
	(4 points awarded (with a maximum of 100 points) for each year this event has been in existence in Fairview Heights)		Evaluation notes:				
	5 PROJECTED ATTENDANCE / EVENT DURATION						100
	Attendance from local market						
	20,000+ = Strong; 5000 - 19,999 = Good; 1000- 4999 = Fair; 250 - 999 = Weak; Less than 250 - Very Weak	0	1	0			
	Attendance from outside market						200
	10,000+ = Strong; 5000 - 9,999 = Good; 1000- 4999 = Fair; 250 - 999 = Weak; Less than 250 - Very Weak	0	2	0			
	EVENT DURATION						
	Single day event = Fair; 2+ day event = Strong			0.5	0		
	Outside of Local Market Attendance Yes = Strong; No = Very Weak	0		0.5	0		
			Evaluation notes:				
	6 EVENT / VENUE SALES TAX GENERATION						200
	Consider overnight attendees; Dining in restaurants and bars; Local shopping during attendance; Motor fuel; Attendees traveling to the event						

HOTEL-MOTEL TAX GRANT APPLICATION SCREENING EVALUATION WORKSHEET

Direct sales from event (score no sales = 0, large sales - 100)		0		0.6		0		
Motor Fuel sales (score no sales = 0, large sales - 100)		0		0.6		0		
Sales from non-event local shopping (score no sales = 0, large sales - 100)		0		0.6		0		
Dining and Entertainment (non-event) sales (score no sales = 0, large sales - 100)		0		0.2		0		
		Evaluation notes:						
7 HOTEL / MOTEL ROOM NIGHTS GENERATED							400	
Seasonal Factor				0				
January thru March = 4; April, May, September, October = 3; June, July, November, December = 2; August = 1								
Hotel / Motel Room Nights		0						
50+ Room nights = Strong; 30 - 49 room nights = Good; 10 - 29 nights = Fair; 5 - 9 room nights = Weak; Less than 5 room nights = Very Weak						0		
Special consideration for holiday season events that attract additional shoppers to City during peak shopping seasons?		Evaluation notes:						
8 NUMBER OF VOLUNTEERS AND HOURS OF VOLUNTEER PARTICIPATION							200	
Consider Volunteers not including BoD or Principals								

HOTEL-MOTEL TAX GRANT APPLICATION SCREENING EVALUATION WORKSHEET

	Requested amount in Grant							
	Recommended Funding Amount							
	Recommended Funding Percentage							
	Should Event be considered for multi-year grant applications?							
	Consider overall strength of event. Then will multi year funding create cost savings and/or a stronger event. Will the event be able to book higher quality entertainment, negotiate lower event costs, generate more / better sponsors with pre-approved applications and / or conditional pre-approved funding?							
	Yes () No ()							