

Patty Smith, Chair
Amanda Hoffmann, Vice-Chair
Daniel Hennessee, Board Member
Michael Nichols, Board Member
Susan Rand, Board Member
Edward Mondich, Board Member
Kasey Crutcher, Board Member

Cassie Boyd,
Tourism Marketing Manager



**NOTICE OF MEETING
TOURISM ADVISORY BOARD
March 26, 2024
4:00 PM
City Hall Conference Room
504 N. Queen Street
Palestine, TX**

Zoom Link:

<https://us02web.zoom.us/j/85666454889?pwd=dERKTkpqTTR0ajZza1ZRRitoWjl5dz09>

Meeting ID: 856 6645 4889
Passcode: 175512

One tap mobile
+13462487799,,85666454889#,,, *175512# US

Note: when you are joining a Zoom meeting by phone, you can use your phone's dial pad to enter the commands *6 for toggling mute/unmute and *9 to "raise your hand."

Follow us live at: facebook.com/palestinety/

- A. **CALL TO ORDER**
- B. **PROPOSED CHANGES OF AGENDA ITEMS**
- C. **PUBLIC COMMENTS**
Any citizen wishing to speak during public comments regarding an item on or off the agenda may do so during this section of the agenda. All comments must be no more than five minutes in length. Any comments regarding items, not on the posted agenda may not be discussed or responded to by the Board. Members of the public may join via Zoom or in person.
- D. **CONFLICT OF INTEREST DISCLOSURES**
- E. **MANAGER'S REPORT**
 - 1. Review February 2024 Tourism Monthly Report
- F. **APPROVAL OF MINUTES**
 - 1. Consider approval of minutes from the February 27, 2024, meeting.
- G. **DISCUSSION AND ACTION ITEMS**
 - 1. Discussion and possible action regarding the Hotel Occupancy Tax Grant Application and Post Event Report.

H. **ADJOURNMENT**

I certify that the above Notice of Meeting was posted on the outdoor bulletin board at the main entrance to City Hall, 504 N. Queen Street, Palestine, Texas, in compliance with Chapter 551 of the Texas Government Code on **Friday, March 22, 2024, at 3:15 p.m.**

A handwritten signature in blue ink that reads "April Jackson". The signature is written in a cursive style and is positioned above the printed name.

April Jackson, City Secretary

IN ACCORDANCE WITH THE PROVISIONS OF THE AMERICANS WITH DISABILITIES ACT (ADA) PERSONS IN NEED OF SPECIAL ACCOMMODATION TO PARTICIPATE IN THIS PROCEEDING SHALL, CONTACT THE CITY SECRETARY'S OFFICE VIA EMAIL AT citysecretary@palestine-tx.org or 903-731-8414.



Agenda Date: 03/26/2024
To: Tourism Advisory Board
From: Cassie Boyd, Tourism Marketing Manager
Agenda Item: February 2024 Tourism Report
Date Submitted: 03/21/2024

SUMMARY:

Review the February 2024 Tourism Monthly Report

RECOMMENDED ACTION:

No action is required.

CITY MANAGER APPROVAL:

Attachments

February 2024 Tourism Report

Contact: Cassie Boyd
City of Palestine
Phone: (903) 723-3014
Direct: (903) 723-3053

825 W. Spring St.
Palestine, TX 75801
tourism@palestine-tx.org



TOURISM REPORT – FEBRUARY 2024

Hotel Occupancy Income Tax Collected/STR Reporting

	February 2024	February 2023	+/- to Last Year	Year-to-Date
Occupancy	60.7%	48.4%	+25.5%	+26.2%
Average Daily Rate (ADR)	\$84.43	\$85.01	-0.7%	+1.1%
Revenue Per Avail. Room (RevPAR)	\$51.28	\$41.13	+24.7%	+27.6%
Revenue	\$1,016,540	\$815,432	+24.7%	+27.6%

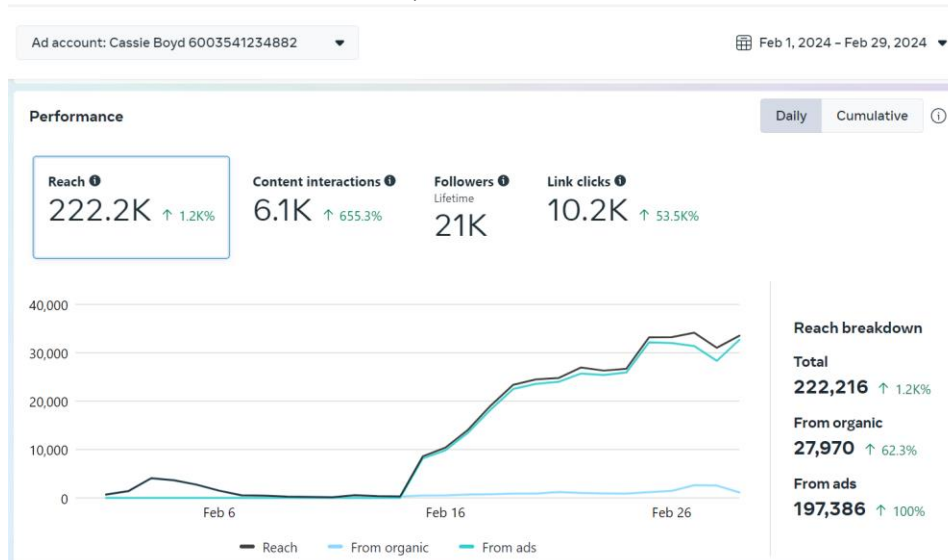
*Census includes 8 hotels, 708 rooms. (8 of 11 hotels reporting)

Accomplishments, Activities & Successes

- **Attended Houston Home & Garden Show to advertise Palestine, TX**
- **Revised placement plan and layouts for wayfinding signage project**
- **Board training on Hotel Occupancy Tax administration**

Marketing:

- Advertisements/articles submitted to be published with: Tour Texas, Meetings + Events, Meet in Texas, StatePoint Media (syndicates to multiple news media outlets), Dallas Drive Guide, etc.
- Social media stats are on the rise, across the board:



- Developing comprehensive social media organic posting calendar/schedule
- Developing marketing plan for 2024-25 to include in-state and out-of-state channels

Main Street

- Continued work with businesses dealing with challenges from the Downtown Revitalization project
- Work continues with Railroad Heritage Center
- Working on developing their fundraiser ideas for the year, as well as planning a board retreat in March

Visitor Center:

- More than 128 visitors to the Visitor Center
- Reordered stock of several visitor information guides
- Provided visitor welcome bags for 75 guests to events in Palestine at the request of event coordinators



Agenda Date: 03/26/2024
To: Tourism Advisory Board
From: Cassie Boyd, Tourism Marketing Manager
Agenda Item: Consider approval of the February 27, 2024, meeting
Date Submitted: 03/22/2024

SUMMARY:

Consider approval of the February 27, 2024, meeting.

RECOMMENDED ACTION:

Consider approval of the February 27, 2024, meeting.

CITY MANAGER APPROVAL:

Attachments

February 27, 2024 TAB Minutes

THE STATE OF TEXAS §
COUNTY OF ANDERSON §
THE CITY OF PALESTINE §

The Tourism Advisory Board of the City of Palestine convened in a Regular Meeting on Tuesday, February 27, 2024, at 4:00 p.m., in the City Hall Conference Room, 504 N. Queen Street, Palestine, Texas, with the following people present: Chair Patty Smith; Vice-Chair Amanda Hoffmann, Board Members Michael Nichols, Susan Rand, Edward Mondich, Kasey Crutcher, and Daniel Hennessee.

Staff present: Tourism Marketing Manager Cassie Boyd and City Secretary April Jackson.

CALL TO ORDER

With a quorum present, Board Chair Patty Smith called the meeting to order at 4:00 p.m.

PROPOSED CHANGES OF AGENDA ITEMS

There were none.

PUBLIC COMMENTS

There were none.

CONFLICT OF INTEREST DISCLOSURES

There were none.

DIRECTOR'S REPORT

Tourism Marketing Manager Cassie Boyd presented the Tourism Monthly report for January 2024.

Tourism Marketing Manager Cassie Boyd presented the Fiscal Year 2023-24 Hotel Occupancy Tax annual report.

APPROVAL OF MINUTES

1. Consider approval of minutes from the February 27, 2024 meeting.

Motion by Board Vice-Chair Amanda Hoffmann and seconded by Edward Mondich to approve the items as presented. Upon vote, the motion carried 7-0.

DISCUSSION AND ACTION ITEMS

1. Establish a temporary Hotel Occupancy Tax Grant Committee.

Board Chair Patty Smith, Board Vice-Chair Amanda Hoffmann and Board Member Michael Nichols volunteered to meet to discuss changes to the current Hotel Occupancy Tax Grant

application and processes. An updated grant application and post-report will be presented for vote at March 26, 2024 meeting.

ADJOURN

With no other business to come before the board, the meeting was adjourned at 4:28 p.m.

PASSED AND APPROVED THIS 26th DAY OF MARCH 2024.

ATTEST:

Patty Smith, Chair

Cassie Boyd, Tourism Marketing Manager



Agenda Date: 03/26/2024

To: Tourism Advisory Board

From: Cassie Boyd, Tourism Marketing Manager

Agenda Item: Discussion and possible action regarding changes to the Hotel Occupancy Tax Grant Application and Post Event Report

Date Submitted: 03/21/2024

SUMMARY:

Discuss and propose edits or approve, as is, the current drafted HOT Grant Application and Post Event Report drafts. Edits to the HOT Grant Application and Post Event report were made to ensure more effective compliance with state law (State of Texas Hotel Occupancy Tax Code; Chapter 351, Subchapter B – Use and Allocation of Revenue) and to better fit with industry best practices. Additionally, the proposed processes will increase fairness and accessibility for HOT funds to more individuals and entities seeking funds for their events. The proposed grant process will separate events from all other funding requests, which will be considered on a case-by-case basis by the TAB or staff as they arise throughout the year.

RECOMMENDED ACTION:

Staff recommends approving the attached HOT Grant Application and Post Event Report pending establishing dates for a Grant Workshop and necessary deadlines.

CITY MANAGER APPROVAL:

Attachments

HOT Grant Application Draft 2024

HOT Grand Post Report Draft



Hotel Occupancy Tax Funding Application 2024

Introduction

The City of Palestine Convention and Visitors Bureau (City of Palestine CVB) is responsible for promoting tourism and the hotel industry in compliance with the State of Texas Hotel Occupancy Tax Code; Chapter 351, Subchapter B – Use and Allocation of Revenue. To comply with this statute, the City of Palestine CVB has the authority to use several methods, including the funding of certain activities of local businesses and organizations. The following information will explain the areas available for funding and the process for requesting those funds.

General Criteria for Use of Hotel Occupancy Tax Funds

By law of the State of Texas, the City of Palestine collects a Hotel Occupancy Tax (HOT) from hotels. Under state law, the revenue from the HOT 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) Registration of Convention Delegates.
- b) Advertising, Solicitations and Promotions that Directly Promote Tourism and the Hotel and Convention Industry.
- c) Promotions of the Arts that Directly Promote Tourism and the Hotel and Convention Industry.
- d) Historical Restoration and Preservation Activities that Directly Promote Tourism and the Hotel and Convention Industry.
- e) Sporting Event Expenses that Substantially Increase Economic Activity at Hotels.
- f) Funding transportation systems for transporting tourists from hotels to and near the city to any of the following destinations.
- g) Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality.

City Policy:

The City of Palestine accepts applications from groups and businesses whose event fits into one or more of the above categories.

Eligibility for Hotel Tax Funds:

A business or organization seeking funds for an event must be able to prove their event produced overnight hotel stays (“heads in beds”). Events can prove the 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 funded 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.

The limit on the number of years for which the applicant has received funding for the same event is not to exceed three (3) years beginning in Fiscal Year 24-25. Prior grants made for the same event/applicant do not count toward this limit.

Requirements of the Applicant:

1. The applicant or another representative of the entity must attend a grant workshop hosted by the City of Palestine CVB. Among other things, this workshop will provide useful information on how to complete the application, report back after the event and appropriate/legal uses of Hotel Occupancy Tax funds. An annual list of grant application and process updates will be provided if applicable. This should be acknowledged by the applicant if he/she has already attended a grant workshop.
2. The event must be located in the City’s corporate limits, extraterritorial jurisdiction, or in sufficiently close proximity as to reasonably attract tourists to the City of Palestine.
3. The applicant must demonstrate that the disbursement will directly enhance and promote the tourism, convention, and hotel industry by attracting visitors from outside of Palestine into the City or its vicinity.
4. The applicant must work with the Palestine CVB to secure hotel room blocks or establish a booking code with area



Hotel Occupancy Tax Funding Application 2024

hotels to provide necessary reporting information after the completion of the event.

5. The applicant must be a legal entity with legal capacity and authority to enter into contracts.
6. The applicant must demonstrate that the programs or events are open and appropriate for the general public.
7. The applicant must demonstrate that it is in good financial standing with the City, and that financial safeguards are in place to protect public funds.
8. Applicant may not receive funding for the same event, under the same or a different name, for more than 3 years, consecutive or non-consecutive, beginning in Fiscal Year 24-25.

Application Process:

This application applies to events that occur during the City of Palestine's upcoming Fiscal Year:

October 1, 2024-September 30, 2025

March 29, 2024	Applications available online
April 15, 2024*	Hotel Occupancy Grant Workshop <i>(recorded and posted on the website with the application)</i>
May 1, 2024 5 pm	Deadline for completed Grant Funding applications to be submitted.
May 28, 2024 4 pm*	Formal Presentation by grant applicants to the Tourism Advisory Board <i>Applicants may have 1-2 minutes to present their grant proposal.</i>
June 10, 2024 4 pm*	Staff recommendation for approved grant applications based on Tourism Advisory Board decisions presented to City Council during work session for funding. <i>Applicant may be present to answer any questions about their proposal.</i>
June 10, 2024 5 pm*	City Council Decision during regular session
June 15, 2024	City of Palestine CVB sends formal agreement to successful applicants
September 15, 2024	Contract signatures executed by City of Palestine and vendor documents are completed

* Tentative dates may be subject to change. Watch the [City of Palestine website](#) for additional information.

In order to submit a completed grant funding application, you must provide:

1. A **typed** application (documents must be single sided and unbound)
2. List of current Board of Directors and staff (if applicable)
3. Proof of Insurance – level of insurance depends upon event
4. Confirmation of grant workshop attendance

Reporting and Reimbursement:

Grant Funding will be provided based on the number of hotel stays ("heads in beds") an event generates in the form of a tax rebate on the hotel occupancy tax generated in the following amounts:

- 100% of tax revenue generated by your event in year 1
- 75% of tax revenue generated by your event in year 2
- 50% of tax revenue generated by your event in year 3

Hotel occupancy tax calculated at a rate of 7% of every dollar spent at a hotel in Palestine. Palestine only collects Hotel Occupancy Tax on traditional hotels currently. Short-term rentals, AirBNBs, VRBO rentals, Bed and Breakfasts, and other short-term rentals are not currently taxed on the municipal level. Therefore, overnight stays at one of these types of rentals will not count toward your rebate total.

The organization is responsible for completing the Post Event Report Form within forty-five (45) days of the event. **If your post-event report not received within 45 days after the event is completed, reimbursement will not be paid.**



Hotel Occupancy Tax Funding Application 2024

Should you need additional space to respond to any item, please attach an additional **typed** sheet of paper.

Applicant/Organization Information

Name of Applicant/ Organization		
Address		
City/State/Zip		
Contact Person		
Contact Phone Number	Cell	Work/Home
Email		
Website		
Non Profit? Yes No	Federal Tax I.D.#	
Write a short description about your organization's purpose		

Proposal Information

Name of the Event/Project and a short description:		
Primary Location of event/project:		
Has this event been held in the past?	Yes No	If yes, how many years/times?
How many times have you received HOT funds for this event?		
Duration of Event: Dates for use of funding must fall within October 1, 2024 and September 30, 2025		
Start Date	End Date	
Number of hotel room nights you anticipate your event generating (heads in beds)		
What were the 3 keywords given during the Grant Workshop?		



Hotel Occupancy Tax Funding Application 2024

Answer the following questions if applicable. If there is not enough space provided, you may attach additional pages to the back. Please indicate which question you are answering.

What outside marketing is going to be conducted?

What type of information and graphics will you provide to the Palestine CVB for assistance with advertising your event?

I have read and agree to comply with the terms outlined in the Hotel Tax Funding Policy and draft Hotel Tax Funding Agreement

I certify that the information contained in this application is correct to the best of my knowledge and that I am authorized to make this application on behalf of the organization herein described for the purpose of receiving City of Palestine H.O.T. funds.

By submitting this Hotel Occupancy Tax Funding Application, the Applicant agrees to comply with all local, state and federal laws applicable or otherwise implicated by Applicant's receipt of a Hotel Occupancy Tax Funding Grant, which includes but is not limited to Applicant's compliance with Title VII, Civil Rights Act of 1964, as amended, the Texas Labor Code, the Drug Free Workplace Act of 1988, and the Americans with Disabilities Act, as well as Applicant's refraining from discrimination of persons based on race, color, religion, sex (including pregnancy, childbirth, and related medical conditions; sexual orientation), national origin, disability, age, citizenship status, genetic information, political affiliation or participation in civil rights activities. Furthermore, while the City of Palestine fully supports the exercise of freedom of speech, the City of Palestine will not financially support or fund projects that incorporate or promote ideas of hate or which are intended to vilify, humiliate, or incite hatred against a group or a class of persons on the basis of race, religion, skin color, sexual identity, gender identity, ethnicity, disability or national origin.

Signature: _____

Date: _____

Printed Name: _____ Title: _____

Attachments: (check all)

- ☐ A **typed** application (documents must be single sided and unbound)
- ☐ List of current Board of Directors and staff (if applicable)
- ☐ Proof of Insurance – level of insurance depends upon event
- ☐ Confirmation of grant workshop attendance

SUBMIT TO: Cassie Boyd at 825 W. Spring Street, Palestine, Texas 75801

Questions, please email: tourism@palestine-tx.org or call 903-723-3014



Hotel Occupancy Tax Grant Post Event Report Form

Must be submitted no later than 45 days following event completion

All entities that are approved for Hotel Occupancy Tax Grant funds must submit a Post Event Report Form within 45 days of each funded event. The report will be reviewed by City staff to determine how well the entity met its goals and be used in consideration of future hotel occupancy tax funding requests. An entity will only receive funding for each event for a maximum of 3 years.

Organization Information

Name of Organization		
Address		
City/State/Zip		
Contact Person		
Contact Phone Number	Cell	Work/Home
Email		
Website		
Non Profit? Yes No	Federal Tax I.D.#	

Event Information

Name of Event
Date of Event
Number of Attendees

Hotel Occupancy Information

Did you partner with the Palestine CVB to set up room blocks for your event?	Yes	No
Which hotels did you partner with for your event?		
How many room nights were generated in the Palestine hotels by attendees of this event or project?		
If this Event has been funded by hotel occupancy tax in the last three years, how many room nights were generated in Palestine hotels by attendees of this event/project?		
Last Year	Two Years Ago	
According to your hotel reports for the number of rooms picked up, how much should your reimbursement of Hotel Occupancy Tax funds be? (100% of HOT Funds generated in Year 1 of funding, 75% of HOT Funds generated in year 2, and 50% of HOT Funds generated in year 3)		



Hotel Occupancy Tax Grant Post Event Report Form

Must be submitted no later than 45 days following event completion

Event Promotion Information: Marketing Breakdown

Newspapers	Posters
Radio	Web
Flyers	Brochures
Social Media	Other
# of Press Releases to Media	# of Direct Mailings out of town
Other Promotions	

Please attach a sample of each form of printed advertising material to the back of this form that was used to show how your event represented The City of Palestine.

Please attach at least one sample of all forms of advertising/promoting used in your campaign. If the sample itself does not indicate the medium (radio, TV, print, or mail) used or where the advertising took place (e.g. a city's newspaper, or a radio spot that does not indicate the city where the spot was played), please include other information that would show location of the advertising and medium utilized.

The City of Palestine Convention and Visitors Bureau (City of Palestine CVB) is responsible for promoting tourism and the hotel industry in compliance with the State of Texas Hotel Occupancy Tax Code; Chapter 351, Subchapter B – Use and Allocation of Revenue. To comply with this statute, the City of Palestine CVB has the authority to use several methods, including the funding of certain activities of local businesses and organizations. The following information will explain the areas available for funding and the process for requesting those funds.

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- Sporting Event Expenses that Substantially Increase Economic Activity at Hotels.
- Funding transportation systems for transporting tourists from hotels to and near the city to any of the following destinations.
- Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality.

I certify that the information contained in this application is correct to the best of my knowledge and that I am authorized to complete this Post Event Form on behalf of the organization herein described for the purpose of receiving City of Palestine H.O.T. Grant Funds.

Signature: _____ **Printed Name:** _____

Date: _____

SUBMIT TO:

Cassie Boyd, Tourism Marketing Manager | 825 W Spring Street, Palestine, Texas 75801 | 903-723-3014