



HOTEL OCCUPANCY TX FUNDING APPLICATION – FY 2027

Hotel Occupancy Tax Sponsorship Program Application Packet

Funding for the Arts and Special Events
Promoting Tourism and the Hotel Industry

Events held between
October 1, 2026 – September 30, 2027

Completed Applications with attachments are due
4:00 p.m. Saturday, August 1, 2026
Submit by email: discoverkemah@kemahtx.gov
Or in-person: 1401 SH 146, Kemah, TX 77565

Late applications will not be considered without Mayor or Council request.



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Tourism Sponsorship Program & Hotel Occupancy Tax Funding Guidelines

Mission: The Discover Tourism Sponsorship Program provides funding to enhance qualifying programs and events, increasing tourism and hotel/motel usage in Kemah.

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

1. Convention Centers and Visitor Information Centers. The acquisition of sites for the construction, improvement, enlargement, equipping, repairing, operation and maintenance of convention center facilities or visitor information centers, or both.
2. Registration of Convention Delegates; the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants.
3. 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 registrations to the municipality or its vicinity.
4. Promotion of the arts that directly promote tourism and the hotel and convention industry: the encouragement, promotion, improvement, and application of the arts, including 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, and
5. 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.
6. 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.
7. 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.
8. Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality.

Eligibility and Priority for Hotel Tax Funds

The City of Kemah collects Hotel Occupancy Tax (HOT) from hotels, motels, short-term rentals, and bed & breakfasts. HOT revenue is limited to expenditures that directly enhance and promote tourism and the convention and hotel industry. Consideration will be given to events and entities based on their provable ability to generate overnight visitors and tourism revenue to Kemah.



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If an event, project, or program will not generate trackable hotel night activity, it is not eligible for receipt of hotel occupancy tax funds. Events can prove this potential to generate overnight visitors by:

- a) Historical information on the number of hotel 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 event, requesting hotel tax funds;
- c) Historical information on the number of guests at the hotel or other lodging facilities that attended the funded event; and/or
- d) Providing examples of marketing programs and activities likely to generate and encourage overnight visitors to Kemah lodging properties.

City Policy & HOT Fund Sponsorship Application Process - The City of Kemah accepts applications from groups and businesses whose programs fit into one or more of the above categories.

All requests for funds should be submitted with the official application and supporting documents to the Communications and Tourism Coordinator. Applications submitted after the August 1 deadline will only be considered at the request of the Mayor or a member of the City Council. The maximum HOT funding per application for the fiscal year cannot exceed 33% of the project budget. Applicants who cannot justify a request for the maximum amount stated are advised to request only the amount for which they qualify.

1. To be considered for HOT funding, applicants must complete the application, include the required attachments; and deliver the complete application packet to the City of Kemah Communications & Tourism Coordinator by the August 1, 2026 deadline.
2. Applications will be reviewed by the Communications and Tourism Coordinator for completeness (incomplete applications will be returned to the sender) and shared with the City Council for review, evaluation, and consideration at the August 20 meeting.
3. The applicant (or a suitable designee) will be notified one week before the Council meeting of the time and place to present their application. Applicants can present their request to the Council and, if approved, follow through with the approved expenditure and sponsorship reimbursement process.
4. Applicants will be notified of the Council's decisions by September 1.
5. The City reserves the right to decline any application(s) and/or any proposed use and/or event if the proposed application would be inconsistent with the character of the City, could negatively impact the safety, security, protection and/or preservation of Kemah

Use of Revenues from Event—A portion of the revenues from any event and/or project receiving funding assistance from the Hotel Occupancy Tax funds should be channeled back into the future costs of operating that same event or the continued operation of the project.

Applicants are on notice that, while the City Council makes decisions based on estimated budgets



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and projects, documentation of how sponsorship funds are spent must be actual costs supported by proofs of payment. The Post-Event Report and proof of payment must show receipts that reflect actual monies paid. **HOT funds will be paid based on proof of payment.** All applicants must submit complete financial statements, including a profit/loss statement, income statement and balance sheet from the most current year's pricing request. A proposed event or project budget, including projected revenue and expenses, along with projected revenue and expenses from previous years' events, must be submitted with the application.

Funding - It is the organization's responsibility to invoice the City to receive payment for the funds. Organizations may be eligible to receive up to 50% of the approved funds before the project and up to the remaining 50% after the conclusion of the project, dependent on board consideration. Final reimbursements are contingent upon the timely receipt of a Post-Event Report by the City of Kemah and a final accounting detailing eligible expenditures. Ineligible expenses will not be reimbursed.

Sponsorship recipients must register with the City of Kemah Finance Department by emailing a completed vendor package, proof of insurance, and a copy of the organization's W-9 to finance@kemahtx.gov with the subject line "HOT Sponsorship Recipient". Complete documentation and invoices will be submitted to the appropriate departments for approval and processing. Payment disbursements may take up to three weeks to process.

Post-Event Report- The complete Post-Event Report is due within 60 days of the event/project/program completion. If the complete Post Event Report and final invoice are not submitted within 60 days or less from the event date, the entity approved for funding forfeits the additional remaining 50% payment and may be asked to remit the prior payment.

All event expenditure items approved for HOT funding should be paid in full within 60 days after the event or project completion. Proof of payment for each item should be included with the Post Event Report. An invoice from the requestor to the City for the remaining amount of awarded funds should be submitted to the Communications and Tourism Coordinator along with the complete Post-Event Report documentation.

Follow-up Presentation- Upon completion of a HOT-funded event, a designated representative will be expected to attend a City Council meeting to present a Follow-up Report on items such as visitor attendance and event impact. Please include tracking evidence from event surveys, as well as information on the number of visitors and overnight stays resulting from the event. Any future consideration of funding from the City of Kemah is contingent upon the organization providing a report on the use and outcomes of prior funding from the City of Kemah.

Cancellation/Force Majeure—If said event is canceled or does not occur unless due to a natural disaster or emergency (e.g., hurricane, tornado, fire, flood, or health crisis, according to the CDC), the organization is required to return monies already paid back to the City of Kemah within 60 days of the original event date.

City Communication and Promotions - Discover Kemah offers valuable resources for event promotions. Approved applicants should collaborate with the Communications and Tourism Coordinator to determine and plan efforts for cooperative promotions and in-kind marketing support. At the City's request, it may retain approval rights for advertising and marketing copy regarding the appropriate representation of the City of Kemah, Discover Kemah and local lodging no less than one (1) week before the ad or publication's print deadline.



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Hotel Listing, Visitor Information- In event promotion and communications, where appropriate for trip planning, the applicant must list all Kemah hotels, short-term rentals, and their current booking information (address, phone number, website). All Kemah hoteliers must be informed of the event and have sufficient time to participate in the bidding process for both primary room bookings and overflow accommodations.

Branding- Any promotional materials (brochure, website, advertisements, event sponsor signage, etc.) using HOT funds **must** include the Discover Kemah logo and www.discoverkemah.com website as appropriate. The City of Kemah seal (the round sailboat) and www.kemahtx.gov are not to be used. Contact the Communications & Tourism Coordinator for the correct version of the brand to use for each promotional item.

Partnerships- The City encourages all event organizers to consider partnership agreements with other applicants to promote programs and events. Cooperation between entities can result in more effective use of funds.

Use of Local Vendors - All event organizers are **strongly** encouraged to patronize and promote Kemah businesses for food, supplies, materials, printing, and other services. A list of local vendors is available upon request.

Supplemental Information - Submit the following documents along with your application:

- Samples of advertising planned and copies of any marketing from previous events
- Schedule of activities or events relating to the proposed event/project
- Post-Event Report if this is a repeat event/program previously funded by Kemah HOT Sponsorship
- Last fiscal year's financial statement (profit & loss statement) for your organization and/or event as a whole
- Your organization's (event's) budget for the current year
- Copy of 501-C3 Internal Revenue Service documentation letter, if applicable.



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I. ORGANIZATION INFORMATION

Official Name of Organization

Date of Submission

Contact Person

Email

Address

Phone

Website Address

Social Media (Facebook, Twitter, Instagram)

Is your organization: ☐ Non-Profit

☐ Private/For Profit

Organizational Mission and Purpose:

The following required documents must be submitted with the application:

- ☐ Last fiscal year's financial statement (profit & loss statement) for your organization as a whole
- ☐ Your organization's budget for the current year
- ☐ Copy of 501-C3 Internal Revenue Service documentation letter, if applicable
- ☐ FEIN / Tax ID#: _____
- ☐ Schedule of activities or events relating to the proposed event/project
- ☐ Samples of advertising planned and/or marketing copies from the previous event



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II. EVENT/PROJECT/PROGRAM INFORMATION

Host Organization

Event/Project/Program Name

Primary Location of Event/Program

Date

Event Time(s) - Start & End

Due Date for 60-day Post-Event Report

Total Amount of HOT Funds Requested: _____

How many years have you held this Event or Project? _____

Expected Attendance: _____

Primary Purpose of Funded Event/Program/Activity/Facility:

How many people attending the Event or Project will use Kemah Hotels? _____

Do you reserve a room block for this event at an area hotel, and if so, for how many rooms and at which hotels?

If no room block has been established, contact the following Kemah hotels to establish availability, room blocks, and room rates:

1. Boardwalk Inn: 8 Kemah Water Front, (281) 334-9880
2. Courtyard by Marriott: 805 Harris Ave, (281) 334-0003
3. Days Inn: 1413 SH 146, (281) 549-4118
4. Hotel Bliss: 1411 Hwy 146, (281) 538-0077
5. Scottish Inn: 601 Texas Ave, (281) 334-4855

An additional list of Kemah Bed and Breakfasts and Short-Term Rental properties is available at kemahtx.gov.



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_____ I understand that in the Post-Event Report, hotel room nights must be confirmed in writing by the designated hotel representative above for the event to receive credit for those room nights.

If no room block is established, how will you measure your event's impact on area hotel activity?

List other years (over the last three years) that you have hosted your Event or Project with the amount of assistance given from Kemah HOT Funds, attendance, and the number of hotel rooms used.

Month/Year Held	Assistance Amount	# of Hotel Rooms Used	Attendance #
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Methods used to determine attendance: (i.e., crowd estimates, ticket sales, registrations, sign-in sheet, etc.)

What percentage of your event/program attendees are estimated to be nonlocal visitors? _____ %

What percentage of your event/program attendees are local? _____ %

List any other organizations, government entities or sponsorship funding support for this event/project:

How will HOT Funds be used if awarded?



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Will the event charge admission? _____

Do you anticipate a net profit from the event? What is the anticipated amount if there is a net profit, and how will it be used?

List Event Sponsors/Co-Sponsors:

Total Event Budget: _____

Percentage of Hotel Tax Support of Related Costs:

- _____ Percentage of total **event costs** covered by hotel occupancy tax
- _____ Percentage of total **facility costs** covered by HOT for the Funded Event/Program/Activity
- _____ Percentage of **staff costs** covered by HOT for the funded Event/Program/Activity

If staff costs are covered, estimate the percentage of time staff spend annually on the funded event(s) compared to other activities. _____ %

III. ADVERTISING AND PROMOTIONAL ACTIVITIES

Discover Kemah encourages organizations to market, advertise and promote projects to audiences at least 60 miles from Kemah. Check all elements the proposed Marketing Plan includes that meet this:

☐ Out of Home (OOH) advertising ☐ Radio ☐ TV commercials ☐ Booths (events or shows) ☐ Print ads ☐ Newspaper coverage ☐ Other print _____	☐ Social media ads/boosts ☐ Display ads (digital banner ads, etc.) ☐ OTT (internet/streaming ads) ☐ Digital/Comprehensive campaign ☐ Direct mail ☐ Mobile advertising (phones) ☐ Paid search advertising (PPC)
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Summarize the proposed marketing, advertising and promotional campaign indicated above (include information about the target audience/locations, frequency of advertising, and other pertinent campaign information):



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When will the campaign begin?

Does the Project have a website, social media page or tagging? If so, list below.

Social Media:

Website:

Tagging (i.e., #DiscoverKemah):

Will you submit press releases about the event? _____

Who is responsible for writing and distributing press releases? Contact: _____

Phone: _____ Email: _____

What geographic area does your advertising target?

How many individuals located in another city or county will your proposed marketing reach?

IV. CERTIFICATION

I have read the City of Kemah's Local Hotel Occupancy Tax (HOT) use guidelines and fully understand the local HOT funding application process and rules governing the proper use of hotel occupancy tax. Any funding awarded for the aforementioned event/project will be used to forward the efforts of the City of Kemah and Discover Kemah in directly enhancing and promoting tourism and the hotel industry by attracting visitors from outside the City of Kemah.

I certify the information contained herein and attached to this application is true and correct to the best of my knowledge. I hereby acknowledge that any funding received from the City of Kemah must be expended as I have represented in this application and according to any requirements set by the City of Kemah Council and the program guidelines. I agree that if funds are not expended accordingly, in the opinion of the City of Kemah, said funds will be returned to the City of Kemah within ten (10) days from the date the City of Kemah demands such.

I understand that submission of an application does not guarantee funding, in whole or in part.

Business/Organization Name

Date

Applicant's Signature

Applicant's Printed Name



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Attachment 1

SAMPLE BUDGET						
Event or Program Name:						
*Denote expenses to be covered using Hotel Occupancy Tax						
					<u>Projected</u>	<u>Actual</u>
<u>Income</u>				Event Fund Account Balance	\$ 75,000.00	
	Sponsorship					
		Tourism Office			\$ 3,000.00	
		Bluebonnet Art Council			\$ 1,000.00	
		A+ Junior College			\$ 250.00	
	Registrations / Tickets				\$ 5,000.00	
	Donations					
		Silent Auction			\$ 750.00	
				Total Income:	\$ 85,000.00	
<u>Expenses</u>						
	Direct Expenses					
		Advertising				
				<i>*Texas Events Calendar (Example)</i>	\$ 2,000.00	
				<i>*AAA Southern Traveler (Example)</i>	\$ 3,000.00	
				<i>*Email blast (Example)</i>	\$ 500.00	
				<i>*Radio</i>	\$ 10,000.00	
		Printing				
			Handouts		\$ 500.00	
		Shirts			\$ 1,000.00	
		Billboards			\$ 50,000.00	
		Security			\$ 2,000.00	
		Transportation			3,000	
		Speakers and Entertainment			7,400	
				Subtotal Direct Expenses:	\$ 79,400.00	
	Indirect Expenses					
		General Overhead				
			Office Supplies		\$ 600.00	
		Support Staff			\$ 5,000.00	
				Subtotal Indirect Expenses:	\$ 5,600.00	
				Total Expenses:	\$ 85,000.00	
				Profit / (Loss):	\$ -	
				*Total HOT expenses	\$ 15,500.00	



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Attachment 2

Marketing Plan Worksheet

This worksheet is intended to be used as a tool to organize the proposed marketing plan, which is a required supplement to all Sponsorship Funding applications.

Overall Project budget: _____

Total Marketing Expenses: _____

Print Advertising

Briefly discuss print ad promotions planned to be placed in newspapers, magazines or on flyers.

List the total number of subscribers for each print publication.

	Name of Publication	Number of subscribers/recipients
newspapers	_____	_____
	_____	_____
magazines:	_____	_____
	_____	_____
flyers	_____	_____
other:	_____	_____



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Digital Advertising

- When discussing digital marketing, be sure to include how visitation will be measured, or the key performance indicators (i.e. visitors to the website, app downloads, banner/ad clicks, impressions, etc.).
- Include the number of subscriptions for the print advertising. The media agency usually supplies this information.

Please briefly explain any social media promotions, blogs, special websites, or other digital promotions (such as e-newsletters, blasts) and the goals of each (i.e., total reach, Click-Thru- Rates, unique/new page visitors, length of page sessions, etc.)

Number of Digital Impressions: _____ Actions/Clicks: _____

Radio/TV

Briefly describe any radio or TV promotions and the goals or reach of each.

Other

Briefly describe any other promotions or marketing campaigns not mentioned above, such as highway billboards, fun promotions (such as giveaways), booths at other events, etc.



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Overall (print + digital + radio/TV), estimate how many individuals the marketing plan may reach.

How many targeted individuals/families are at least 60 miles from Kemah? _____



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Post Event Report Form

Must be submitted no later than 60 days following project completion

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.#	

Proposal Information

Name of Project
Date of Project
Amount of HOT Sponsorship Funds Awarded
Amount of Funds eligible for reimbursement
Number of attendees Local Visitors estimated _____ actual _____ Out of Town Visitors estimated _____ actual _____ Number of Hotel rooms booked by project participants _____
Please provide documentation on how attendance and hotel room bookings were tracked or how business development was promoted through your project.



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Post Event Report Form

How were HOT funds utilized? (Provide your budgeted and actual amounts)

Please explain or provide documentation on how lodging establishments were notified of the project.

Revenues

Budgeted:

Actual:

Revenues

Revenues

Donations

Donations

Entry Fees

Entry Fees

Vendor Fees

Vendor Fees

Other

Other

Other

Other

Revenue Balance

Revenue Balance

Post Event Report Form



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Expenditures

Budgeted	Actual
Expenditures	Expenditures
Staffing	Staffing
Audio	Audio
Visual/Entertainment	Visual/Entertainment
Supplies	Supplies
Rentals	Rentals
Food and Beverage	Food and Beverage
Location Cost	Location Cost
Signage	Signage
Security	Security
Grounds Keeping	Grounds Keeping
Marketing/Promotion	Marketing/Promotion
Insurance	Insurance
Other	Other
Expenditures Balance	Expenditures Balance

Cost Break Down

Percent of Costs covered by HOT Sponsorship funds?
Percent of facility costs covered by HOT Sponsorship funds?
Percent of staff costs covered by HOT Sponsorship funds?
Total Costs

Marketing Breakdown

Newspapers	Posters
Radio	Web
Flyers	Brochures
Social Media	Other

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



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Post Event Report Form

*Provide copies of receipts, invoices, explanation of charges and proof of payment of expenses for which reimbursement is requested.

Answer the following questions if applicable. If not applicable, mark n/a. You may attach additional pages, indicating the specific question you are answering, if needed.

Were the outcomes of this project what you expected? Why or why not?
Is this project something your organization plans to do again? Why or Why not?
How did the use of HOT Sponsorship Funds impact the success of this project?
How did you market outside of the local area for this project?
How did the project use funds to promote Kemah?

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 Project Form on behalf of the organization herein described for the purpose of receiving City of Kemah Sponsorship Funds.

Signature: _____ **Date:** _____

Printed Name and Title: _____



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Post Event Report Form

Attachments:

- Attendance
- Documentation
- Copies of the receipt
- Copies of invoices
- Copies of Printed Promotional Materials

SUBMIT TO:

City of Kemah

Attn: Communications & Tourism

1401 Hwy 146

Kemah, TX 77565

281.334.1611