



DOWNTOWN
BRYAN
— Association —

May 29, 2015

City of Bryan
Joey Dunn, Deputy City Manager
300 S. Texas Ave
Bryan, TX 77805

Dear Joey,

Attached is the FY16 budget approved by the Downtown Bryan Association Board of Directors on May 21, 2015, as well as a summary report of service levels and performance measures.

The Downtown Bryan Association is requesting FY16 funding of \$165,000. This amount is the same as FY14 and FY15 funding. The activities and events administered by the DBA have increased greatly since the establishment of full-time staff in June, 2013, but through careful management of funds and an active Board of Directors providing oversight, we believe the DBA will continue to provide a high standard of service while demonstrating fiduciary responsibility.

We also request a review of the language in the annual Contract for Services to insure that required reports and measures match the DBA's ability to produce such reports. For example, in the FY15 contract, Section 2.5, quarterly reports are required to include "...private sector reinvestment and public sector reinvestment..." We propose these two items be removed, as we do not have the ability to accurately investigate, gather and report this information.

Additionally, we request that these annual events be included in the contract: Downtown Street & Art Fair, Lights On! and the Downtown Christmas Parade. This will insure uniform procedures with regard to street closures and other permit issues.

Sincerely,

Sandy Farris

Executive Director, Downtown Bryan Association



A Report to the City of Bryan from the Downtown Bryan Association Programs & Activities FY15 to date

Service Levels

The Downtown Bryan Association (DBA) oversees more than 30 activities and events each year designed to directly enhance and promote tourism to Bryan, particularly to the Historic Downtown area. The DBA also manages the Palace Theater which is used for entertainment during each First Friday. The Palace is also rented out to community groups throughout the year. The DBA owns the Queen Theatre, which is undergoing renovation to be opened as a visitor's center and multi-purpose event venue. By contract with the City of Bryan, the DBA is responsible for the coordination and management of First Friday, Football Fridays and Texas Reds Steak & Grape Festival.

List of Activities/Events by Month FY15

October, 2014 – First Friday; Football Fridays; *Fright Nights Haunted House
November, 2014 – First Friday; Football Fridays; Lights On! Ceremony; Wine & Wassail Walk
December, 2014 – First Friday; Downtown Christmas Parade; Holiday Shopping Promotion
January, 2015 – First Friday; Game Night/Shopping Promo
February, 2015 – First Friday; *Mardi Gras; Valentine's Day movie; *Chinese Lunar New Year
March, 2015 – First Friday; *Rock Away Cystic Fibrosis Benefit Concert; Youth Art Month
April, 2015 – First Friday; Downtown Street & Art Fair; MonuMetal
May, 2015 – First Friday; Sip & Shop wine tasting event; *Viz-a-Go-Go
June, 2015 – First Friday; Summer Sunset Concert Series at the Palace each Thursday (4 concerts); *Blues Festival; Return of Brazos Valley Farmer's Market to Downtown
July, 2015 – First Friday; Craft Beer tasting event
August, 2015 – First Friday
September, 2015 – First Friday; Football Fridays; Texas Reds Steak & Grape Festival
*Denotes activities receiving marketing/planning assistance from DBA, but are managed by other entities.

The DBA employs four full-time staff: Executive Director; Programs/Events Manager; Graphic Designer/Programs Assistant; Office Manager. The DBA office is located in the Federal Building and serves as a visitor's center for Downtown Bryan.

Professional memberships: Texas Downtown Association; B/CS Chamber of Commerce; Texas Association of Fairs and Events; League of Historic American Theaters

Performance Measures

The Downtown Bryan Association is a non-profit organization whose mission is to create, cultivate, and showcase the commerce, culture, and community of our Downtown District by preserving the past and building a vibrant future.

Validating the DBA's efforts in furthering its mission, in October, 2014, the Texas Commission on the Arts recognized Downtown Bryan as a Texas Cultural District, a coveted distinction given to just 26 cities in Texas. The DBA submitted a lengthy application, bolstered by support from city, state and federal entities.

In November, 2014, the DBA was recognized at the Texas Downtown Association annual conference for Best Promotional Event in Texas for MonuMetal, the scrap metal sculpture competition.

An active merchant base participated in all DBA-organized activities during FY15. To date, there are 72 paid members of the DBA, representing merchants, individuals and organizations. This represents a 16% increase in membership since May, 2014.

Since Oct. 1, 2014, the Palace Theater has been rented for a total of 14 days for public events. Confirmed rentals for the remainder of FY15 currently stands at 16. Additionally, the Palace is utilized for every First Friday to provide 4 hours of free entertainment for the community during the evening.

First Friday attendance and community engagement continues to rise. In May, 2015, an estimated 5,000 people attended First Friday. The number of musicians and non-profit groups who contact the DBA for a presence at First Friday has also risen in the past 12 months. More than 50 locations throughout downtown host these musicians and non-profits each month.

Beginning in 2015, the DBA is now tracking major events to determine attendance and effectiveness by monitoring media, conducting surveys and gathering feedback. For FY15 to date, these events have supporting data attached to this report: Downtown Street & Art Fair (April) and Spring Sip & Shop (May). [attachments] (Texas Reds Steak & Grape Festival reports have been previously submitted.)

The DBA has a healthy presence on social media, managing Facebook pages for Historic Downtown Bryan (6,573 fans), Downtown Bryan Cultural District (1,045 fans), The Queen Theatre (474 fans), Sip & Shop (309 fans), Downtown Street & Art Fair (732 fans), Texas Reds Steak & Grape Festival (3,111 fans) and event pages. Other social media accounts include Twitter, Instagram, Youtube and Pinterest. Analytics show a high degree of post reach and engagement on all pages, with the highest numbers on the Historic Downtown Bryan page. The DBA maintains a traditional website, as well.

The DBA utilizes local media for publicity of ongoing and special events. DBA staff has a standing, quarterly appearance on the KBTX-TV morning show, as well as additional appearances for special events. A monthly interview on WTAW radio precedes each First Friday, with additional interviews for special events. All special events have been publicized by all print, TV and radio outlets.

Through these events and activities, the Downtown Bryan Association is meeting its mission of creating, cultivating and showcasing the commerce, culture and community of Downtown Bryan, while promoting tourism.



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July 27, 2015

Joey Dunn, Deputy City Manager
City of Bryan

Joey,

In addition to the regular funding request for FY2016, the Downtown Bryan Association is requesting Texas Reds 2016 funding based on the attached projected budget. This is being done to streamline the reporting process so that our normal quarterly reports and those for Texas Reds will be done at the same time according to schedule. Though it is a slight risk to request funds for 2016 before the results of 2015 are known, we feel that we are demonstrating a careful, conservative approach to expenditures, as evidenced by the data in the attached document. Note that the amount requested for 2016 is unchanged from 2015.

Respectfully,

Sandy Farris

Executive Director, Downtown Bryan Association

**HOTEL OCCUPANCY TAX
FUND DISBURSEMENT POLICY**

CITY OF BRYAN



CITY OF BRYAN
The Good Life, Texas Style.™

Updated October 2015

CITY OF BRYAN
HOTEL OCCUPANCY TAX FUND DISBURSEMENT PROGRAM

Introduction

This policy incorporates overall direction for providing hotel occupancy tax (HOT) funds to outside agencies, programs, and events in the form of one-time event grants and annual program agreements. The policy replaces all previous policies adopted by the City regarding the disbursement of city HOT funds except as specifically noted in this policy. The proposed policy has been divided into four sections:

- Section 1: General Policy Statement
- Section 2: Annual Program HOT Funding
- Section 3: Event-Based HOT Funding
- Section 4: Required Forms

Section 1: General Policy Statement

1.01 Policy Statement

Texas Tax Code Chapter 351 requires that municipal hotel occupancy tax funds be used for specific purposes. First, the funds must be used toward activities that support the tourism *and* lodging industries in the City of Bryan. Second, the activities must fall within an enumerated set of approved activity types, outlined in Chapter 351 of the Tax Code. The City's HOT fund disbursement policy exists to ensure that the City's municipal HOT funds are being spent in compliance with state law, and in a way that most benefits the City's tourism and lodging industries.

Section 2: Annual Program HOT Funding

2.01 Annual Programs Eligible for HOT Funding

The City of Bryan recognizes there are organizations which provide tourism development and improved hotel business to the City through the use of Hotel Occupancy Funds on a year-round, non-solely-event-centered basis. These Annual Program HOT Fund recipients will be required to follow a distinct and separate annual funding process from all other public service agencies covered by this policy and event-specific HOT fund recipients.

A non-exclusive list of agencies that fit the Annual Program HOT Fund Recipient category is as follows:

- Downtown Bryan Association
- Convention and Visitors Bureau
- Arts Council of Brazos Valley
- Bryan/College Station Chamber of Commerce
- Others as identified by City Council/staff

2.01.01 Texas Reds Festival

Regardless of sponsoring agency, the annual Texas Reds Festival will be funded under Section 2 of this policy and not the event-specific funding policy (Section 3).

2.02 Annual Program HOT Funding Process

Prospective Annual Program HOT Fund recipients will use the following procedures for annual funding requests:

- A. Submit budget requests to the City Manager by the deadline and in the format established by the City Manager.
- B. Funding requests will be reviewed by the City Manager as part of the City’s annual budget process.
- C. The City Manager will provide recommendations on each request from prospective Annual Program HOT Fund Recipients.
- D. The City Council will be the final approval authority for funding, including a decision to forgo funding, for any prospective Non-Event HOT Fund Recipient through this process.

2.03 Annual Program HOT Fund Recipient Contracts

Contracts will be required for all Annual Program HOT Fund Recipients who are allocated funds by the City Council. Contracts will be approved by the City Attorney and submitted to City Council for final approval, and will include all reporting and monitoring requirements included in this policy.

2.04 Reports and Monitoring

The following reports shall be required of all Annual Program HOT Fund Recipients:

- HOT Revenue Program Report (provided annually);
- Financial statements that describe specifically how funds from the City of Bryan are being utilized (quarterly);
- A narrative of program activities for the organization (annually);
- An annual budget for the organization; and
- Any other indicators of service levels and performance measures determined to be necessary by the City Manager or his designee or the City Council.

The City will monitor Annual Program HOT Fund Recipients to ensure City funds are used in compliance with contract language and to achieve public purposes. All reports shall be submitted using the forms approved by the City Council in this policy as Section 4. Any proposed changes to the reports required shall be approved or rejected by the City Council during the HOT funding process.

- A. Funding for each agency will be made on a schedule as set by the City Council.
- B. Continued funding is contingent on the timely submission of all completed quarterly reports that meet the requirements of this policy and the contract between the City and the recipient. Compliance with the requirements shall be determined by the City Manager or his designee.
- C. Organizations that receive funds from the Hotel Occupancy Tax Fund will meet the requirements of this section and all of the requirements listed in State law regarding the proper reporting and accounting of Hotel Occupancy Tax funds.
- D. An annual report will be prepared by all Annual Program HOT Fund Recipients for City Council review as part of the budget review process.
- E. The City will be allowed access to the recipient's financial records to allow the City to audit or review the agency's financial records.

- F. Funding for the Texas Reds Festival shall be provided contingent upon compliance with the reporting requirements outlined in this section as well as hotel room reports and pre-event and post-event reports for the event itself. The forms and timeline for the event shall be specified in the annual contract for services.

Section 3: Event-Based Hotel Occupancy Tax Funding

3.01 Overview

Organizations requesting to receive event-based HOT Funds (excluding Texas Reds) will apply with the Bryan-College Station Convention & Visitors Bureau (BCSCVB), and a BCSCVB Staff Representative will review the application and within 90 days will either: (1) make a recommendation to the City; or (2) present application to a review panel who will then make recommendations to the City of Bryan city manager regarding approval, denial or modification of the requested funding. Additional comments will be given as to the size of the financial funding request based on estimated economic impact relevant to the request, as well as taking into consideration the need for local community economic impact relevant to the community calendar. A BCSCVB Staff Representative will work with the applicant to ensure all necessary documentation is included when presenting to the City of Bryan city manager. The City of Bryan city manager or his designee will make the final decision on funding the event and at what level.

To apply for support from the City of Bryan, the event must take place within Brazos County, and must expect to have attendees utilizing hotels in the City of Bryan.

The event’s sponsoring organization will be required to provide tax filing status, ID number, W-9, proof of insurance, and evidence of commitment for event (i.e. contracts with hotels/facilities) as part of the application. It is preferred that the sponsoring organizations have 501(c) tax-exempt status, but it is not required.

3.02 Event HOT Funding Process

All applications must be completed in compliance with this policy and the BCSCVB’s application policies. Overall, the process will be as follows:

- A. Pre-Event Funding And Reimbursement:
 - 1. The City of Bryan reserves the right to decide if partial or all funding should be reimbursed to the city provided the organization or event did not meet the requirements of said contract.
 - 2. The City of Bryan reserves the absolute and ongoing right to conduct an audit of anyone or entity receiving HOT Funds to ensure correct use of HOT Funds.
 - 3. The application must be submitted by the deadline established by the BCSCVB. A draft form may be submitted for review prior to this date for assistance and

guidance from the BCSCVB staff – but all final applications must be received no later than the established deadline.

4. All applications must be typewritten and adhere to all rules and guidelines established by the BCSCVB for the application process. Failure to provide completed, typewritten forms by the deadline may lead to disqualification.

B. Review of Applications:

1. The BCSCVB may utilize a review panel to review applications received. Regardless of the review panel meeting dates, applications for City of Bryan HOT funding will be reviewed and a recommendation will be made to the City of Bryan within 90 days. The review panel will include one or more representatives of the City of Bryan, in addition to representatives of other area organizations dedicated to increasing tourism and lodging activity in Brazos County.
2. The Applicant will have the opportunity to be present at the review panel discussions to answer any questions and provide more information. If the Applicant cannot be present, the Convention & Visitors Bureau Staff can present on their behalf. Funding recommendations will be made by majority vote of the review panel.

C. Post Review Panel:

1. The applicant will be notified after the review panel meeting or after the staff recommendation to the City of Bryan as to the recommendation made to the city manager or his designee.
2. The City of Bryan city manager has the ability to make the decision to fund up to \$50,000. If the amount exceeds this limit, it will be scheduled for the next available City Council meeting for Council approval. The City of Bryan city manager may choose to forward any or all funding requests to the City Council for final approval.

D. Post-Event Process:

1. After each event, the event sponsor/grant applicant shall submit a Post-Event Analysis in the format required by the BCSCVB. The Post Event Analysis must include all items outlined in the BCSCVB application, including samples of advertisements produced with the use of HOT funds. If the Post Event Analysis

and the final accounting of room nights are not received by the due date, the City of Bryan reserves the right to refuse funding for the recent event or future events.

2. It is the responsibility of the event to monitor the number of out-of-town guests who stay in Bryan lodging properties in relation to their event. Working with the BCSCVB and local hotels to ensure proper credit and tracking is recommended. Some suggestions for tracking out-of-town guests would be to use a zip code tracking system or a survey distributed to attendees. Please note that stated room nights generated will be subject to an audit by the BCSCVB or the City of Bryan.
3. Room nights generated outside of Bryan do not fulfill the requirements of a HOT funding grant for an event from the City of Bryan and will not be credited to the event.

3.03 Disbursement of Funds

An applicant may receive up to 25% of the grant approval pre-event after a signed contract and all required documentation have been received. The remaining balance will be distributed based on room night pick up. Burden of proof lies exclusively on the applicant.

Section 4: Required Forms for Program Funding Recipients

4.00 HOT Revenue Program Report

Please list all activities, programs, or events directly funded by City of Bryan HOT fund revenue during this fiscal year, with the following information for each activity:

- (1) Administrative costs (if any) which will be funded in whole or in part by City of Bryan HOT fund revenue;
- (2) How the scheduled activity, program, or event is directly enhancing and promoting (a) tourism and (b) the convention and hotel industry in the City of Bryan; and
- (3) Itemized funds associated with the particular activity, program, or event directly funded by City of Bryan HOT fund revenue.

Please feel free to include any additional information you wish to include, and additional pages may be attached as necessary to provide the information.

4.01.01 Financial Activity Report – Income Statement

Agency Name:

Quarter:

Income Statement

Revenue Source	Agency Actual (Non Hotel Tax Revenue)	Agency Actual (Hotel Tax Revenue)	Quarterly Total
Income			
Fees			
Net Sales			
Contributions			
Individual			
Board			
Foundations/Trusts			
Special Events			
Organizations			
Civic			
Corporate			
Government Revenue			
City of College Station			
City of Bryan			
Brazos County			
Federal			
State			
School District			
Other Local Sources			
Investment Income (div.,int., cap gains)			
Other			
In-kind Contributions			
Total Income			

4.01.02 Financial Activity Report – Expense Report

Agency Name:

Quarter:

Expense Report:

Expense Account	Agency Actual (Non Hotel Tax Revenue)	Agency Actual (Hotel Tax Revenue)	Total
Salaries & Benefits			
Supplies			
Maintenance			
Purchased Services			
Capital Outlay			
Other:			
In-kind Expenses			
Total Operating Expenses			

Surplus (Deficit)			
Fiscal Year	Agency Actual (Non Hotel Tax Revenue)	Agency Actual (Hotel Tax Revenue)	Total
Income/Expenses =			

Please explain any income statement deficits on an attached sheet.

4.01.03 Financial Activity Report – Assets

Agency Name:

Quarter:

	(Current quarter as of)	(Prior quarter as of)
ASSETS		
CURRENT ASSETS		
Cash & Cash Equivalents		
Investments		
Receivables		
Prepaid Expenses		
TOTAL CURRENT ASSETS		
Property and Equipment		
Accumulated Depreciation		
TOTAL PROPERTY AND EQUIPMENT		
OTHER ASSETS		
<i>TOTAL ASSETS</i>		

4.01.04 FINANCIAL ACTIVITY REPORT - LIABILITIES

Agency Name:

Quarter:

LIABILITIES AND FUND BALANCE		
	(current quarter as of)	(prior quarter as of)
Current Liabilities		
Accounts Payable		
Current portion of long-term debt		
Deferred Revenue		
<i>Total Current Liabilities</i>		
Long-Term Debt; less current portion		
<i>Total Liabilities</i>		
Fund Balance		
Unrestricted		
Temporarily Restricted		
Permanently Restricted		
<i>Total Fund Balance</i>		
<i>Total Liabilities and Fund Balance</i>		

("TOTAL ASSETS" MUST EQUAL "TOTAL LIABILITIES AND FUND BALANCE")

Note: Please provide most current balance sheet and indicate the ending month. Also, provide balance sheet as of the end of the month.

4.02 ANNUAL PROGRAM BUDGET

Please include here or attach a copy of your organization's annual budget.