

City of Brillion  
Room Tax Allocation Policy

**Executive Summary:** The City of Brillion (the City), by statute, is authorized to enact legislation imposing a tax on the privilege of furnishing, at retail, rooms or lodging to transients by hotelkeepers, motel operators and other persons furnishing accommodations that are available to the public. The maximum tax that can be imposed is 8%. As of June 23, 2014, the City imposed a room tax in the amount of 4%. Per state statute at least 70% of the 4% room tax imposed by the City is to be spent on tourism promotion and development activities that are likely to generate paid overnight stays at the establishment on which a tax may be imposed. This 70% of total room tax revenues received by the City shall be deposited in the Tourism Special Revenue Fund and shall be used to fund tourism promotion and development activities referenced in the statute and include:

1. Marketing projects, including advertising media buys, creation and distribution of printed or electronic promotional tourist materials, or efforts to recruit for special events.
2. Transient tourist informational services; and
3. Tangible municipal development.
4. Tourism events.

**Purpose of the Allocation Policy:** The purpose of this policy is to: 1) identify entities eligible for applying for funds; 2) establish a procedure that recognizes the need for providing a certain level of support for transient tourist information services while also recognizing the need for events/projects that create the ambiance, synergy and activity centers that will over the long-term keep tourists coming back to our area for recreational, business and/or educational purposes; and 3) establish a process by which applications for funding can be evaluated, recognizing in this process the need for input from the hospitality industry in terms of determining long-term impact of a proposed events/projects on promoting/supporting tourism. Additionally, the City recognized the need for establishing a procedure that allows for the timely distribution of the dollars once an event/project is approved for funding.

**Eligibility:** To be eligible for funding, the successful recipient must be a local, not-for-profit organization/group and must file a completed Hotel/Motel Tax Application by the deadlines established. Funding requests must clearly benefit the City of Brillion in the following categories: tourism (which is defined in the Wisconsin Statutes as “travel for recreational, business or educational purposes”), destination development and special events or projects that create the ambiance, synergy and activity centers that will over the long-term promote tourism.

**Funding Process:** The Tourism Committee has established a biannual application/allocation process. Through this application/allocation process, any Balance in the Tourism Special Revenue Fund exceeding \$2,500 after adjustments for any funds designated for specific projects or programs including the dollars allocated to transient tourist informational services per this policy, as of the date indicated in the schedule shall be made available to fund qualifying projects. It is further clarified that there is no obligation to award all funds that have been made available. Actual amount awarded will be based on the quality of the applications and compliance with the requirements/objectives of the program. The room tax application schedule is as follows:

### Application and Funding Schedule

Funding Period	Application Due Date	Notification of Grant Award	Council Action by	Final Report And Close Out
See Note #1				
July 15, 2015 – Sept. 30, 2015	June 30, 2015	July 15, 2015	July 27, 2015	See Note #2
October 1 – March 31	September 1	September 22	September 30	See Note #2
April 1- September 30	March 1	March 22	March 30	See Note #2

Note 1: The first round of the Tourism Committee awarding funds begins July 15, 2015 through September 30, 2015. After the first round of funding is given the October 1 through March 31 and April 1 through September 30 schedules will be followed. The Committee can determine to use reserve funds for additional project outside of these scheduled time periods for special projects. The Committee also reserves the right to change these funding periods based on future information related to available funding, community project schedules, and Committee preference.

Note 2: The final close-out report is to be filed within 45 days of the completion of the project.

**Allocations:** The Allocations will be provided based on an actual accrued expense. A form for request of funds and instructions will be provided upon the final action by the Council in the awarding of the contract.

**Reporting:** Organizations awarded funds shall be responsible for submitting a final “close-out” report that shall include documentation sufficient for the City to be able to verify that the funds were fully expended and used for the intended purpose. Additionally, the report should also include the results of the process identified in the application that was to be used to determine success of the project/program in promoting tourism. The final “close-out” report is to be filed with the City within 45 days of the completion of project or December 1 of the year for which the funds are awarded whichever is sooner. Carryover of funds is strongly discouraged. If it becomes necessary to do so, a written request indicating the reason for the carryover must be submitted to the Tourism Committee by December 1 of the year for which funds were awarded. The Tourism Committee will review the request and either approve or deny it within 10 business days. If the request for carryover is not approved, the remaining funds must be returned to the City by December 31 of the year for which the funds were awarded. Non-compliance with reporting requirements will be considered when evaluating any future funding requests submitted by the organization.

***Other Program Requirements/Conditions:***

1. Applications will be evaluated by the Tourism Committee based on established criteria and Tourism Committee recommendations will be based on this evaluation process.
2. Funding conditioned on each successful applicant executing a funding agreement with the City.
3. For those programs/projects that generate revenues, these revenues must be used to offset current or subsequent project expenses or as otherwise identified in the application process and approved by the Tourism Committee.

4. Room tax funds may only be used for activities and costs identified in the application. Any modifications must be submitted to the Tourism Committee for review. Depending on the type and dollar amount of the change proposed Tourism Committee approval or Tourism Committee and City Council approval may be required.
5. Failure to comply with the conditions of the agreement may result in the termination of the agreement, future ineligibility for the program, and reimbursement of room tax funding received by the organization
6. Tourism Committee reserves the right to deny any and all requests received. The Tourism Committee also reserves the right to reduce allocations based on available funds, the number of applications being considered and the quality of the proposed projects.
7. With the exception of support provided to the Chamber of Commerce for transient tourist information services, Hotel/Motel Tax funds cannot be used to fund salaries/wages or other personnel costs. Funds can, however, be used to pay consultant fees if so identified in the application process.