



CITY OF COLUMBIA

HOSPITALITY TAX GRANT GUIDELINES FY 2024/2025

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GRANT APPLICATION PROCESS

PURPOSE & INTRODUCTION

Applicants seeking funding for FY 24/25: (July 1, 2024 – June 30, 2025) Grant application cycle will begin March 1, 2024. Completed applications must be submitted in Zoom Grants no later than midnight Friday, March 29, 2024. Late/incomplete applications will not be considered. Applications that are received on time and deemed eligible will be considered for grant awards.

A 2% Hospitality Tax is collected on all prepared food and beverages sold in the City of Columbia. From revenues collected, the City of Columbia offers funding through the Hospitality Tax Grant program. These funds may be used for organizations/events/programs that promote the attraction of tourism and dining within the city limits. Grant applications are considered eligible when they meet South Carolina State Law restrictions on the use of Hospitality Tax funds *and* when they meet City of Columbia Guidelines. **Please pay close attention to the following grant guidelines, as they explain organization/program/event eligibility as well as the purpose/procedures associated with Hospitality Tax funding.**

H-TAX GRANT TIMELINE

Application Cycle:	March 1, 2024 to March 29, 2024
Application Workshop - virtual:	February 29, 2024 (only new groups required)
Applications Due:	March 29, 2024- no later than midnight.
Award Notifications:	TBD (following Council approval)
Approved Grants Reimbursement Cycle/Fiscal Year:	July 1, 2024 – June 30, 2025
Deadline for FY 24/25 Reimbursement Request:	May 30, 2025

SOUTH CAROLINA STATE HOSPITALITY TAX ELIGIBLE USES

Expenses must be directly in support of one of the 6 purposes of hospitality tax funding under S.C. Code 6-1-730:

1. Tourism-related buildings, including, but not limited to: civic centers, coliseums, and aquariums; and/or
2. Tourism-related cultural, recreational, and historic facilities; and/or
3. Beach access and re-nourishment; and/or
4. Highways, roads, streets, and bridges providing access to tourist destinations; and/or
5. Advertising and promotions related to the development of tourism; and/or
6. Water and sewer infrastructure to serve tourism-related demand.

(B)(1) In a county where at least nine hundred thousand dollars in accommodations taxes is collected annually (pursuant to Section 12-36-920), revenues of the hospitality tax authorized in this article may be used for the operation and maintenance of those items provided in (1) through (6), including: police, fire, emergency medical services, and emergency-preparedness operations directly attendant to those facilities.

APPLICATION ELIGIBILITY REQUIREMENTS

In order to receive H-tax funding, organizations/projects/events must meet the following eligibility requirements:

- Organization/program/event must meet one of the stated uses described in South Carolina State Law S.C. Code 6-1-730 for Hospitality Tax Uses
- Organization or fiscal agent must provide proof of their non-profit status with documentation from the South Carolina Secretary of State Office or be exempt from federal income tax under Section 501(C) of the Internal Revenue Code whose primary goal is to attract additional visitors through tourism promotion (letter of exemption from the IRS must be provided).
- Organization/Project/Event must be in the City of Columbia limits.
- Organization/Project/Event must promote the attraction of tourist and promote dining in the City of Columbia. Columbia City Council has determined a tourist to be anyone traveling from outside of the city limits.
- All projects/events must be completed during the fiscal year in which they are funded. Fiscal year begins July 1, and ends on June 30.
- Grant funds requested must be for eligible expenditures only (as listed in the Project Expense Eligibility Criteria and Budget Expense sections below.)
- A completed application must be submitted by March 29, 2024 (by midnight) for consideration.
- If funding is approved for an event, the event must be marketed and open to the public.
- Organization must have a current City of Columbia business license.

ONLINE GRANT APPLICATION PROCESS

The H-tax grant application is meant to determine the project/event, budget, how H-tax dollars will be used, anticipated number of attendees, and the number of tourists. To be considered for funding, applicants must submit an application in Zoom Grants through the City of Columbia website. Late and incomplete applications will not be considered.

Full reimbursement for all projects is dependent on the collection of expected Hospitality Tax revenues. Any decision or lower than expected collection of revenues, could affect project reimbursement. If revenues collected are less than budgeted/projected, project reimbursements will be reduced on a pro-rata basis or as otherwise determined by Columbia City Council in its sole and exclusive discretion. Grant Managers/Project Directors should remember this in developing project budgets. Be advised that all materials submitted for Hospitality Tax grant funding are subject to disclosure based on the Freedom of Information Act (FOIA.)

The City of Columbia utilizes ZoomGrants on-line grant application tool. To access the Hospitality Tax Grant application, go to the City of Columbia Webpage: <https://grants.columbiasc.gov/grants-offered/> and follow the ZoomGrants link provided. Instructions for completing the application are listed with application questions, as well as a training handout link provided on the city website.

Please answer all application questions in the space provided. Note that the project/event expense section must match the amount in your application funding request. Application should include the following required attachments:

- A detailed budget for the project/event (not the organization) for which you are requesting funds and must include other sources of funding in each project budget.
- A project/event specific Income & Expense statement for same or similar project/event for the previous funding year
- Current bank statement/financial statement
- South Carolina Secretary of State letter
- W-9 form
- A current copy of your 990-tax form or letter of exemption from the IRS (if applicable)
- A list of current board members
- A list of food/beverage vendors scheduled for the current project/event (if applicable)
- Current City of Columbia business license.

By providing electronic initials and submitting the City of Columbia H-tax application, your organization is agreeing to the Statement of Assurances listed in the application disclaimer.

Before submitting your application, have you considered or investigated funding sources other than the City of Columbia? Have you verified contact information? The contact person listed along with the mailing address, phone number, email address etc. will be used for our records and all information we send out. If at any time the contact information changes, it is required that you contact the City of Columbia with the updated information.

APPLICATION EVALUATION / AWARD CRITERIA & FUNDING DETERMINATION:

Only *eligible* grant applications will be considered. Applicants will be notified of grant status once City Council makes final approvals. Award notifications regarding funding results will be emailed to applicants during the first quarter of the fiscal year (July-September.) We ask that organizations respond to award notifications to verify they have received the status of the grant application. It is important that you follow any instructions included in the funding notification letter.

GRANT AWARDS

If your funding request is granted, please be advised that Hospitality Tax funding carries the following conditions:

- Approved grants are not guaranteed payment unless guidelines are followed.
- The City has the right to audit the organizations funded. (Ex: Looking at their books or attending the events.) This includes access to all records of expenditures. *Organizations are required to retain original documents for a minimum of 3 years.*
- Recipient organizations are subject to ongoing evaluations by City staff. The goal of these evaluations is to encourage self-sufficiency for each organization or program funded through the use of additional or alternative funding sources.
- Grantees are required to include the City of Columbia logo, as well as the Experience Columbia SC logo on all program/project advertising, marketing and promotional materials. You may email pio@columbiasc.net for the City of Columbia logo, or call the COC Public Relations department at 545-3020 for logo guidelines and information. In using the Experience Columbia SC logo, please refer to <https://www.dropbox.com/sh/vy9u0g5lm5yoyhz/AADXnJzL0fNLnh00TYReCTPEa?dl=0>

for logo guidelines and send final artwork for approval or any questions regarding usage to kcarmichael@experiencecolumbiasc.com

- Statement of Assurance accompanying award notification must be signed and returned before any funds are distributed.
- Grants are paid on a *reimbursement basis*. On a cases by case basis, we will accept requests for an advance of funds which must be requested in writing and allowed up to 50% of the grant award. Documentation is required to be submitted within 30 days after the event.

The City of Columbia will encourage a mentorship program for organizations funded through the Hospitality Tax. If your organization is interested in mentoring or being mentored, please let us know. The city also provides an online calendar as additional marketing for organizations funded. More information will be sent out in the award letters.

ELIGIBLE / INELIGIBLE EXPENSES

To ensure your grant is processed timely, City of Columbia Hospitality Tax grant funds must be used for tourism related expenses in the following categories only:

Examples of generally **eligible expenses** are:

- Advertising/Marketing/Promotions (printing and design expenses for advertising materials, mailings for advertising, marketing firm in lieu of in-house marketing staff)
- Security (security used for events is allowable)
- Entertainment (Artist performances fees only, speaker fees only)

Examples of **possibly eligible expenses** (determined on a case-by-case evaluation) are:

- Portion of employee's salary hired to perform eligible function (e.g., marketing manager.) Funding for salaries of any kind will be determined on an individual basis and cannot be requested for the full salary of the paid employee. Reimbursements will require timesheets, proof of payment and must only include employer portion of payroll.

Examples of generally **ineligible expenses** are:

- Non-event related security
- Artist *per diems*
- Rentals (e.g., stages, tents, tables, chairs, venue)
- Decorations
- Staging or fencing
- Items given to tourist once they are here (tee shirts, cups, trophies...etc.)
- Administrative and operating costs of the organization
- Rent, office equipment and supplies, utilities
- Food and beverage of any kind for any purpose
- Insurance, memberships, registrations, permits, donations
- Credit card receipts without explanation of expenses
- Maintenance and upkeep of property (except tourism-related building and facilities)
- Accounting or legal expenses
- Employee benefits
- Invoices outside the funding year, transportation or accommodations.
- Private or member only events
- Religious or Political
- Activities in other events already funded by the city

Please note that this list of examples is generally applicable but there may be exceptions to each, which is why each expense must be examined individually. For example, non-event related security may

generally be ineligible, but may be eligible if the security is for a tourism-related cultural, recreational or historic facility.

GRANT REIMBURSEMENT REQUEST

To request grant reimbursements, a request for payment must be submitted in ZoomGrants. Requests for grant reimbursements are considered for payment when the following items are submitted on time and completely:

1. **Letter of Reimbursement** for project expenses requires a written request on organizational letterhead including valid contact information (number/address), and the **requested amount**.
2. **Reimbursement Request Summary** – complete the form as indicated. Please ensure totals are correct.
 - a. Proof of performance – include the estimated number of attendees on reimbursement request summary form.
3. **Submit invoices and receipts** verifying eligible expenditures. Include legible photocopies of itemized invoices, reflecting date, description and dollar amount. Monthly statements are not acceptable unless they contain the same pertinent information listed on the invoices. If a copy of a paid invoice is not available, a copy of an executed agreement may be considered (i.e. artist contracts) on a case by case basis. Expenditures must be consistent with the application budget. Only goods and services that comply with SC State Law and the Hospitality Tax Grant Guidelines are reimbursable.
4. **Proof of payment** – attach legible photocopy of the canceled check(s) to the appropriate invoice to certified proof of payment. If paid by credit card or wire, provide a photocopy of the credit card statement highlighting the item purchased. Any other proof of payment will be considered on a case-by-case basis by the Grants Office.
5. Quarterly allocations are made when applicable. A portion of funding may be obtained in advance but back up must be submitted within 30 days after event.

PAYMENT PROCESS

Only reimbursement request with complete documentation will be processed. Determination of eligibility of expenses must be made by examining each expense and its purpose; there will not be any “blanket” approvals of expenses by category or organization. In the event that the administrator of the hospitality tax funding program is uncertain as to whether or not a specific expense is eligible to be paid for by hospitality tax funds, the administrator shall obtain a written opinion as to the eligibility of that expense from the Office of the City Attorney. City staff may consider exceptions to the City’s Hospitality Tax Guidelines on a case by case basis.

Reimbursement checks will be written only to the organization applying for funding. Checks will not be released without an IRS Form W-9, Statement of Assurance, and a full budget for the project on file.

Requests for reimbursement are first reviewed by the Grants Office to ensure compliance with Hospitality Tax Guidelines. If the disbursement request is complete, a request for payment is submitted to the Finance Department. The process of receiving a check, after receipt of eligible back up, takes approximately 10-14 business days.

ALL request for funding and/or request to carry forward funding **MUST** be received by May 30th of the funding year. If May 30th falls on Saturday or Sunday, the deadline will be the following Monday.

Disbursement request received after May 30th may be subject to the following:

- Requests received within 5 days after deadline will result in 10% deduction of dollars available.
- Request received within 6-10 days after deadline will result in 20% deduction of dollars available.
- Request received after 10-day period will not be processed and dollars will not be available.
- The second year an organization is late with request for year end the penalties would double (requests received within 5 days after deadline will result in a 20% deduction of available dollars, requests received 6-10 days after deadline will result in a 40% deduction of available dollars and the funding request is not considered the third time an organization is late for year-end requests.)

CONTACT INFORMATION:

If you have any questions or concerns about the Hospitality Tax Grant funding, please contact the Budget, Program Management & Grant Department (803) 545-3062

columbiacitygrants@columbiasc.gov



City of Columbia Fee Schedule

Special Event Permit Processing Fees ¹		
Event	Application Deadline	Permit Fee
Major Festival or Event² May include: Outdoor entertainment, sale of food/beverages, service of alcohol, and/or generate revenue Expected attendance greater than 1,000	90 days prior to the event	\$100.00
Festival or Event² May include: Outdoor entertainment, sale of food/beverages, service of alcohol, and/or generate revenue Expected attendance less than 1,000		
Parade, Procession, March, Road Race, Bicycle Race Includes the restriction or closure of roadway		
Private or Public Gathering² May include: Sale or service of food/beverages, outdoor entertainment, and /or the service of alcohol	60 days prior to the event	\$50.00
Neighborhood Gatherings, Block Party or Walk Includes the restriction of sidewalk or residential street	30 days prior to the event	\$25.00
Road Closures Permit Processing Fees ³		
Road Closure Request – City Center: <i>Area bound by Elmwood to Blossom and Pickens to the Congaree River</i> Includes closure for crane operations, road work, where the road is closed		
Full Road Closure	15 days prior to event	\$1,000 per day ⁴
Lane Closure	15 days prior to event	\$500 per day ⁴
Road Closure Request –anywhere other than City Center and neighborhood/residential areas: Includes closure for crane operations, road work, etc.		
Full Road Closure	15 days prior to event	\$500 per day ⁴
Lane Closure	15 days prior to event	\$250 per day ⁴
Road Closure Request – Neighborhood & Residential areas <i>Areas designated as residential base zoning districts by the Unified Development Ordinance in Chapter 17 of City of Columbia Ordinances:</i> Includes closure for crane operations, road work, etc.		
Full Road Closure	15 days prior to event	\$50 per day ⁴

NOTES:

- 1) Fees are for permits only. Refer to Special Event City Services Fees for associated fees where applicable.
- 2) Events that include alcohol to be consumed on public property require approval by City Resolution.
- 3) Road Closure fees do not apply to approved Special Events Permits
- 4) A day is defined as 24 hours from 6:00 a.m. to 6:00 a.m. the following day.



City of Columbia Fee Schedule

Special Event City Services Fees			
Service	Rate	Additional Information	Effective Date**
Public Works Roll Carts	\$20.00 per cart	Delivery and pick up from site Includes disposal after pick up.	Effective January 1, 2024
Public Works Employee Onsite to Service Roll Carts	\$32.00 an hour per employee	Will handle the emptying of roll carts during event.	Effective January 1, 2024
Public Works Barricades	\$10.00 per barricade for first 50 barricades \$7.50 per barricade for 51+ barricades	Includes delivery and pick up from event. Number of barricades needed will be determined between CPD and the event coordinator to ensure public safety.	Effective January 1, 2024
Public Works Street Sweeping	\$50.00 per hour	Arranged as needed and/or requested	Effective January 1, 2024
Public Works Blower Operator	\$20.00 per hour per employee	Arranged as needed and/or requested	Effective January 1, 2024
Public Works Traffic Electrician	\$60.00 per hour per employee	Arranged as needed and/or requested	Effective January 1, 2024
Electricity Box Hookup	\$20.00 per box	As needed and/or requested	Effective January 1, 2024
Water Tap Hookup	\$10.00 per tap	As needed and/or requested	Effective January 1, 2024
Police Officer	\$50.00/hour per officer	Minimum of three hours Number of officers needed will be determined between CPD and the event coordinator.	Effective July 1, 2023
Fire Marshal	\$50.00/hour per Marshal	Minimum of three hours	Effective July 1, 2023
Administration Fee	12% of total invoice	12% of total invoice for Administrative Fee	Effective January 1, 2024

**NOTE: These prices will go into effect January 1, 2024 for all events regardless of date event permit was submitted