



Admissions Tax Grant Program Guidelines

PREAMBLE

In 2002, Mt. Crested Butte voters passed a “4% excise tax on the price paid to gain admission to any place or event in the town that is open to the public” to be utilized 25% for transportation and 75% marketing. Voters ratified modified language of the tax in 2009 to keep the tax from sunseting and directed “not less than 25 percent of the revenues of such tax to be utilized for transportation; and the remainder of the revenues from such tax to be utilized for marketing and event sponsorship.”

In 2019, to respond to the changing economic landscape of Mt. Crested Butte, concerns of unsustainable tourism, and inconsistent applications of Admissions Tax funds, Mt. Crested Butte Town Council revised the Admission Tax Grant Application to bring more clarity to the process as well as realign the grant with contemporary values regarding tourism and transportation. Thus, the Mt. CB Admissions Tax Grant funds will be allocated annually to the following categories:

- 80% - Events
- 20% - Traditional Marketing (non-event marketing efforts)

The primary intent of Admissions Tax Grant funding is to help local Mt. Crested Butte businesses and nonprofits create events and programming within the Town. The focus of the events/programs should attract community members and visitors, encourage repeat visitation, and stimulate creativity to develop new events while providing a measurable return on investment to the organization and Town.

Organizations applying for the Admissions Tax Grant must fall into one of the following categories: Non-profit, for-profit, or government agencies/organizations. A non-profit is defined as a registered 501(c)(3) or 503(c) organization. Organizations that are not defined as above do not meet the requirements of the grant to apply.

APPLICATION CATEGORIES

The following categories were created to provide clarity to applicants and staff; and may be adjusted based on areas of focus. We require applicants to fit their application into one of the categories/subcategories.

Events (80%): Attract new visitors to MTCB with a measurable return, encourage repeat visitation, and stimulate creativity to develop new events. All events funded through the Ad Tax grant must occur within the town limits of MTCB at some point of the event. Grant funding can only be awarded for event component expenses occurring within the town limits of MTCB. Event categories are as follows:

- **Signature Events:** Signature events are annual events held in the Town of Mt. Crested Butte that have a strong following and are a staple for the Town. While they may bring people from outside the Gunnison Valley, many of the event attendees are also local. These events represent the MTCB brand at the highest level, and the loss of any of them would have a negative impact on the town. The customer base includes a significant portion of destination guests and the economic impact on the town is profound. Signature events bring in more than 300 guests and are not first-time events.
 - Non-profit or Government organization requirements:
 - There is no cap on the number of years the organization can apply or on funding amounts for a non-profit organization. It is required that the non-profit organization benefit from the event in ways of fundraising, donations, merchant, vendor, or ticket sales. There must be a monetary component to the event that benefits the organization in a positive way and grows each year of programming.
 - For-profit organization requirements:
 - For the first three years of the organization being in the Signature Event category there will be no cap on the amount of funding awarded to the applicant. In the first year, the grant requires the applicant to match 75% of the award with their own funds. After that, it will be required that the applicant match the grant funds 100% (i.e. if the applicant applies for \$5,000 in funding, they will need to match \$5,000 in funding from their own funds).
 - After the first three years, funding amounts will be capped at \$10,000 each year with no cap on the number of years the organization can apply.
- **Destination Events:** This category represents events and programs that bring people to MTCB for the event specifically. Visitors will typically stay in the Town of MTCB and be in the base area for the event. These events are annual, new, or one-time events. Destination events bring in more than 100 attendees with the intention of creating enough traction to fully fund the event internally or move into the signature event category.
 - Non-profit or Government organization requirements:
 - It is required that the non-profit or government organization benefit from the event in ways of fundraising, donations, merchant, vendor, or ticket sales. There must be a monetary component to the event that benefits the organization in a positive way and grows each year of programming.
 - Funds can be awarded yearly for up to five years in a row, after that, the applicant will have to wait at least two years to apply for funding again for the same event or be able to move into the Signature Event category.
 - For-profit organization requirements:
 - In the first year, the grant requires applicants to match 75% of the award with their own funds. After that, the applicant must match the grant funds 100% (i.e. if the applicant applies for \$5,000 in funding, they will need to match \$5,000 in funding from their own funds).
 - Funds can be awarded yearly for up to three years in a row, and unless they move into the signature event category, they cannot apply again for the same event.

- **Community Growth & Fundraising Events:** These events benefit the community, businesses in the community, and local non-profits. There is no minimum attendee amount or limit to the number of times an applicant can apply for funds. Only Gunnison County organizations can apply for funding.
 - Non-profit or Government organization requirements:
 - It is required that the non-profit or government organization benefit from the event in ways of fundraising, donations, merchant, vendor, or ticket sales. There must be a monetary component to the event that benefits the organization in a positive way and grows each year of programming.
 - Funds can be awarded yearly for up to five years in a row, after that, the applicant will have to wait at least two years to apply for funding again for the same event.
 - For-profit organization requirements:
 - In the first year, the grant requires applicants to match 75% of the award with their own funds. After that, the applicant must match the grant funds 100% (i.e. if the applicant applies for \$5,000 in funding, they will need to match \$5,000 in funding from their own funds).
 - Funds can be awarded yearly for up to three years in a row, and unless they move into the signature event category, they cannot apply again for the same event.

Traditional Marketing (20%): Mt. Crested Butte is a resort destination. Crested Butte Mountain Resort (CBMR) brings visitors from around the world to play and stay here. This category is meant to benefit and support local MTCB businesses and Gunnison County non-profit organizations through marketing efforts. The goal of this grant category is to help organizations generate more income for their business or provide more services for the community.

Traditional marketing Ad Tax Grant funds can be used for the following categories:

- **For-profit MTCB Businesses (20%):** Some businesses in the Town of Mt. Crested Butte could use assistance marketing their business. Advertising efforts create more opportunities for visitors to stop by a shop, restaurant, or other retail & food spaces while staying and playing in MTCB. This section of funding is intended for new businesses or new owners in the commercial areas of MTCB to better support their marketing efforts.
 - Requirements:
 - In the first year, the grant requires the applicant to match 75% of the award with their own funds. After that, it's required that the applicant matches the grant funds 100% (i.e. if the applicant applies for \$5,000 in funding, they will need to match \$5,000 in funding from their own funds).
 - Funds can be awarded yearly for up to three years in a row, and unless the business owner has changed, the business will not be eligible to apply again.
- **Non-Profit or Government Organizations (80%):** Funds from this category shall be utilized by Gunnison community non-profits or government organizations to bolster their programming or offerings in the Town of MTCB.

- Requirements:
 - It is required that the non-profit or government organization benefit from their marketing efforts by increasing awareness, monetary value, or program offerings with proven growth each year.
 - There is no cap on the number of years an applicant can apply for funds in this category.

MEASURABLE RETURN

Town Council is interested in the following metrics:

- Gross and net revenue to the organization and Town generated from the program/event
- Number of visitors the program attracted to Mt. Crested Butte
- Number of first-time visitors the program attracted to Mt. Crested Butte
- Room nights booked in Mt. Crested Butte

Note: Priority will be given to applications that best meet the goals of the program while providing measurable data desired by the council.

REQUIRED DOCUMENTS

Completed Admissions Tax Grant Application

1. The application will ask you to provide the following information:
 - A summary of the event/program that is proposed.
 - How the request fits into the Town Council's goals and objectives of the Admissions Tax Grant Program.
 - Both an organization-wide budget and a budget specific to the funding request. The former will give staff and council an idea of how the funding request fits into the overall budget of the requesting organization and the latter will describe the funding request budget in detail.
 - An estimate of the return on investment (ROI) the event or program will provide to the organization and to the Town of Mt. Crested Butte.
 - The applicant will disclose if they have received or are pursuing other funding for the application (additional consideration will be given to organizations that have received other funding sources for this event).
 - If some or all of the application is for marketing funds, the applicant should provide detailed information on the type(s) of marketing proposed and the geographic and demographic areas that will be targeted. The applicant must also explain in detail how their marketing efforts will be tracked and evaluated for effectiveness. These evaluation methods will be used in any follow-up reporting of the program to the Town Council if the grant is awarded.

The applicant is reminded that the budget proposal should include its own or donated resources, as the Admissions Tax Grant is intended to augment expenditures by the applicant.

OTHER CONSIDERATIONS

- Additional consideration will be given to:
 - New events, programs, and businesses
 - Applications that target new markets, groups, and activities

- Non-profit organizations or businesses that demonstrate a financial need for the funds
- Applications that have an environmental sustainability component
- Applications that have other funding sources
- Programs and events that occur during traditionally slower times of the year:
 - September 10 – February 10
 - April 1 – June 15
- All events and programs must occur within the town limits of Mt. Crested Butte at some point during the event.
- Receipt of admissions tax funds does not guarantee the grant of future funds and repeated requests to fund existing programs.
- Admission tax funds are designed to be used to augment the applicant's existing efforts. Grant funds should not be used for regular ongoing programs (unless they are a Signature Category event), nor should they be the sole source of program funding.

RULES & REGULATIONS

- First-time applicants/events are required to contact the Admissions Tax point of contact (Ad Tax POC) prior to submitting their application. Applications received from a new applicant without prior contact with the Ad Tax POC will not be considered.
- Organizations and businesses are unable to apply for grant funding that would benefit or support another organization. The organization that will benefit from the Ad Tax Grant is required to be the applicant.
 - Examples:
 - Advertising, marketing, and travel agencies are not allowed to apply for the Admissions Tax Ad Grant on behalf of their clients to receive funding. They may be hired as a marketing agency by an Admissions Tax Grant recipient but are not allowed to apply on behalf of others.
 - A for-profit organization wants to host an event with all proceeds going towards a non-profit organization. In this instance, we would ask that the non-profit organization apply.
- Funds for operations may be used to pay most external costs, including but not limited to equipment and services rental, security, etc. Grant funds cannot be used to pay for the applicant's internal staff costs, pay themselves back, or purchase equipment related to the event.
- Funds for marketing can pay for media (print, TV/radio, social media, video, etc.), hiring of talent, production equipment rental, and external services for marketing and advertising.
- Admissions Tax grant funds cannot be used to pay for regular staff salaries, in-house salaries, operating costs (whether marketing-related or not), or purchase assets for the applicant.
 - Example: Hiring a temporary worker (security) for the event is ok. Offsetting the salary of a regular employee is not. Renting a PA for announcements during the event is ok. Purchasing a PA for the applicant's perpetual use is not.
- Sponsorship. The grant funding is to be considered a sponsorship, and any advertising, programs, or other listings are required to mention the Town of Mt. Crested Butte as a sponsor (the MTCB logo is available for use upon request). Please include all advertising copies with your final report. If marketing funds are awarded, you will be required to include all advertising copies with your final report.
- Marketing. It is required that marketing efforts contain a specific call to action and mention the

Town of Mt. Crested Butte as a sponsor.

- Completion of the application is not a right to funds. The distribution of Admissions Tax grant funds is within the sole discretion of Town Council and all decisions are final.

AWARDING ADMISSIONS TAX FUNDS

Prior to submission of an application, applicants may contact the Admissions Grant POC or Town Councilors to discuss a potential application. However, after applying, further contact regarding the application is prohibited.

Council or Ad Tax POC, at its discretion, may contact applicants directly to seek clarification on an application. Town Staff will report to Town Council on your application through the Admissions Tax Grant Work Session and Grant Awardee agenda item during a Town Council meeting. You or someone from your organization must attend both of these meetings. If a representative from your organization fails to show up for either the Work Session or Grant Awardee meeting it will be considered a forfeiture of the request for grant funding. No presentations will be permitted at Town Council meetings or work sessions. However, if councilors have specific questions about an application, they may address the applicant directly. The applicant will have five (5) minutes to respond. Once the council makes its decision on the granting of funds, the decision is final. There is no appeal process.

The awarding of admissions tax funds will take place at a regular Town Council meeting. Notes on reasons for approval or denial will be provided. If the applicant is granted funds and later determines the funds will not be spent as intended, any changes in use of funds must be approved by town staff or be returned. Changes in funds will only be considered for line items approved by Town Council in the awards meeting.

REPORTING

The reporting requirement timeline is to better gauge the success of the event and the return on investment for the business/organization and the Town of Mt. CB in a timely manner. In the end, the applicant should feel confident they have provided a clear picture of the successes of the event along with the return on investment it provided to their organization and the Town.

Reporting shall include:

1. Completed Admissions Tax Grant Report within 90 days of the event/program end date or by the deadline outlined within the contract (whichever comes first), which will require the applicant to provide the following information:
 - Analysis of how the event or initiative succeeded and what the applicant would do in the future to improve the event.
 - Data on the attendance of the event, how many room nights were booked, and if it met the measurable return proposed in the application. If proposed returns from the original application were not met, an explanation as to why it was not met must be provided.
 - The gross and net income the event or program provided to the organization and the return it provided to the Town of Mt. CB. If returns differ from the proposed numbers from the original application, the applicant is required to explain the deviation.
 - An actual budget compared to the proposed budget in the application using the spreadsheet provided by the Town of MTCB.
 - The applicant should be prepared to discuss any differences between their proposed budget and the actual budget. Applicants may be asked to provide

invoices and receipts for Admissions Tax funds spent. If receipts or invoices cannot be provided when requested, funds will have to be returned. Council and staff reserve the right to audit the applicant's finances regarding the granted Admissions Tax funds.

- Analytical data regarding marketing efforts (impressions, clicks, conversions, data on time spent on each page of the event website, etc.).
2. Applicants are required to report on their event/program within 90 days of the event/program end date or by the deadline outlined within the contract (whichever comes first). Should the applicant fail to meet the reporting deadlines, the applicant will be barred from applying for any Mt. Crested Butte Town Grant for one year from the time of their report.
 3. If the applicant fails to apply granted funds as outlined by their application, and it is determined that the expenditure of funds has not been spent per the Admissions Tax Guidelines, the application plan, or inappropriately, Council reserves the right to seek reimbursement of funds, and the applicant may be precluded from applying for admissions tax funds in the future.
 4. If funds were unused, the organization is required to reimburse the Town of Mt. Crested Butte for unused funds. Funds remaining from one cycle cannot be used for the same event in the next year and/or cycle. Reimbursed funds must be paid back to the Town of Mt. Crested Butte before the applicant can apply for any Town of Mt. Crested Butte grant again. Consideration will not be given to any applicant who has an outstanding balance owed to the Town of Mt. Crested Butte.
 5. If the applicant fails to provide all data that the report is requesting, does not report at all, or does not fill out their report accurately/to the best of their ability, Council reserves the right to seek reimbursement of funds, and the applicant may be precluded from applying for admissions tax funds in the future.

The applicant is required to attend the town staff presentation of their report to the Town Council and may be expected to answer any follow-up questions the Council has. If the applicant fails to show up for the report presentation, they will be barred from applying for any Mt. Crested Butte Town Grant for one year from the time of their report. It is the responsibility of the applicant to complete the following after their event or program ends:

1. Remit Admissions Tax Funds from the event (if tickets have been sold) on the 20th of the month following the event. Applicants can contact the Finance Department at finance@mtcb.colorado.gov with questions.
2. Remit Sales Tax Funds on the 20th of the month following the event if food, beverages or merchandise have been sold at the event. Applicants can contact the Finance Department at finance@mtcb.colorado.gov with questions.
3. Remit the report form within 90 days of the event/program end date or 30 days before the next grant cycle opens (whichever comes first).