



Fiscal Year 2022/2023 Hotel Occupancy Tax Funding Agreement between the City of Seabrook and Offshore Thunder Productions, LLC for the 2023 Texas Outlaw Challenge Event.

THIS HOTEL OCCUPANCY FUNDING AGREEMENT (the "AGREEMENT") is entered into between the City of Seabrook, whose address is 1700 1st Street, Seabrook, TX 77586 (the "CITY"), and Offshore Thunder Productions, LLC, Paul Robinson, (the "EVENT HOLDER") who principal business address is 4600 Country Club Drive, Dickinson TX, on this 17 day of October, 2022, for the purpose of establishing certain conditions on the receipt, expenditure and use of CITY hotel occupancy tax funds by the EVENT HOLDER.

I. Use of City Funds

As a condition of the receipt of CITY funds amounting to \$40,000 during the CITY budget fiscal year 2022/2023, the EVENT HOLDER hereby agrees to use and expend all such funds pursuant to:

- A. All applicable federal, state, and local laws; and
- B. The use of City funds shall comply with Texas Tax Code 351.001 et. seq. and as provided by law.
 - 1. Every expenditure must directly enhance and promote tourism and the convention and hotel industry.
 - 2. Every expenditure must clearly fit into one of nine statutorily provided categories for the expenditure of local hotel occupancy tax revenues.
 - a) Funding the establishment, improvement, or maintenance of a convention center or visitor information center.
 - b) Paying the administrative costs for facilitating convention registration.
 - c) Paying for advertising, solicitation, and promotions that attract tourists and convention delegates to the city or its vicinity.
 - d) Expenditures that promote the arts.
 - e) Funding historical restoration or preservation programs.
 - f) Funding certain expenses, including promotional expenses, directly related to a sporting event within counties with a population of under 1 million.
 - g) Funding transportation systems for tourists.
 - h) Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality.

II. Responsibilities between the CITY and the EVENT HOLDER

- A. Responsibilities of the EVENT HOLDER
 - 1. Meet the obligations as outlined in this agreement.

2. Complete and submit the City of Seabrook Special Event Permit Application, as applicable, 45 days in advance of the event/program. *A waiver may be applied to events not held within the City of Seabrook.*
 3. Maintain an event/program website and marketing materials identifying the CITY as a sponsor by the placement of the City of Seabrook logo and links to the CITY'S tourism website www.seabrooklove.com.
 4. All Seabrook lodging facilities must be listed on the event/program website with current contact information and links to facilities.
 5. Notify all Seabrook lodging facilities of the event details and dates and allow for sufficient time for hotels/motels to participate in the bidding process for both primary bookings and overflow.
 6. Provide accountability and results as outlined in Section IV. of this AGREEMENT.
 7. Coordinate with city staff as needed.
- B. Determinations of the CITY
1. Promotional support of event/program.
 2. Provide CITY logo files and promotional collateral as requested and when available.
 3. Distribute funds as outlined below.

III. Disbursement of Funds

- A. Requests for disbursement shall be made by the EVENT HOLDER in writing, by means of an official invoice of the organization;
- B. The EVENT HOLDER shall request disbursement of funds as follows:
 1. 75% of Council-approved funds will be distributed upon submission of EVENT HOLDER invoice. The invoice must be submitted between October 15, 2022, to September 30, 2023.
 2. To receive the remaining 25% of approved funds the EVENT HOLDER must provide the Post Event Report with an overview of expenditures ensuring the expenditures comply with state guidelines.
 3. An invoice for the remaining 25% must be submitted to the CITY after the event has been held and prior to September 30, 2023.
 4. Upon review and approval of Post Event Report the final 25% of approved funds will be released.
 5. Funds will be issued in accordance with the CITY'S Purchasing Policy.

IV. Reporting Requirements

The EVENT HOLDER shall provide:

- A. A written Post-Event Report which includes:
 1. Event Budget - Revenue vs. Expenditures
 2. Marketing Plan
 3. Event/program details
 4. Documented evidence that the event had a direct impact on Seabrook hotels
- B. The findings in the Post-Event report must be presented to Seabrook City Council at a regularly scheduled city council meeting within 60 days of the event/program completion.

V. Term and Termination

The term of this AGREEMENT shall be for one year beginning on October 1, 2022, and ending

on September 30, 2023, unless terminated earlier as determined by City. EVENT HOLDER will not be reimbursed for any expenditures that were not submitted in accordance with Section III. of this AGREEMENT. With six (6) months written notice, the CITY may withhold, or reduce, the final 25% payment allocated hereunder for any reason, including if the CITY, in its sole discretion, determines that such funds are needed to fulfill other CITY functions. In such an event, the CITY or the EVENT HOLDER may terminate this AGREEMENT with written notice to the other party which shall be effective upon receipt. The CITY shall compensate the EVENT HOLDER for any qualifying expenditures completed before the date that notice of termination was received upon adequate proof of payment prior to the termination date, as determined by the CITY. The CITY shall retain the authority to withhold any and all payments to the EVENT HOLDER if, in the sole judgment of the CITY, the proposed or continued use of the funds violates terms of this AGREEMENT, any applicable law, or is contrary to the appropriate use of public funds.

VI. Indemnification

The EVENT HOLDER shall indemnify and hold harmless the CITY, its elected and appointed officials, and its employees, agents, and representatives (the "Indemnified Parties"), from any and all liability, claims, demands, actions, damages, losses, judgments, costs or expenses, including, but not limited to, attorney fees, which may be made or brought or which may result against any of the Indemnified Parties as a result or on account of the negligent, grossly negligent, willful and wanton, or intentional actions or omissions of the EVENT HOLDER and/or its employees, agents or representatives or other persons acting under the EVENT HOLDER direction or control.

VII. Acknowledgment of Open Records Act

The EVENT HOLDER hereby acknowledges that the CITY is a public entity subject to the Texas Public Information Act, and as such, this AGREEMENT, and actions related thereto may be subject to the public disclosure thereunder.

[EXECUTION PAGE FOLLOWS]

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EXECUTION PAGE

EVENT HOLDER

Organization:
Offshore Thunder Productions, LLC

Signed:

Paul E Robinson (Oct 17, 2022 16:00 EDT)

By:
Paul Robinson

Title:
Texas Outlaw Challenge Event Director

Date:
Oct 17, 2022

CITY

Organization:
City of Seabrook

Signed:

By:
Gayle Cook

Title:
City Manager

Date:

APPROVED

Signed:

By:
Thom Kolupski

Title:
Mayor, City of Seabrook

Date:

ATTEST

Signed:

By:
Robin Lenio

Title:
City Secretary

Date:
