

EXECUTIVE DEPARTMENT
DELAWARE ECONOMIC DEVELOPMENT OFFICE

Statutory Authority: 29 Delaware Code, Ch. 11, Subch. III (29 **Del.C.**, Ch. 11, Subch. III)

PUBLIC NOTICE

PROPOSED

In compliance with the Delaware Statutory Authority, Chapter 312 of the **Delaware Code**) the Delaware Economic Development Office (Delaware Tourism Office) is proposing to amend the requirements of the two tourism grant programs (Direct and Matching) which are distributed to non-profit tourism related organizations annually to help increase the visibility of Delaware's tourism assets and destinations

Any person who wishes to make written suggestions, compilations of data, testimony, briefs or other written materials concerning the proposed new regulations may attend a public hearing to be held at the Delaware Economic Development Offices Large Conference Room, on Tuesday, March 20 at 11:30 a.m. Public comment must be submit to Tim Morgan, Director of Tourism, Delaware Economic Development Office, 99 Kings Highway, Dover, Delaware 19901 or fax to (302) 739-2028 no later than March 30, 2007.

The action concerning the determination of whether to adopt the proposed regulation will be based upon the results of Department and Division staff analysis and the consideration of the comments and written materials filed by other interested persons.

1151 Matching Grants Program

1.0 Program Description

1.1 The purpose of the program is to attract visitors to Delaware and to bring in overnight business to Delaware. (Delaware Statutory Authority: 73 **Delaware Laws** Chapter 312; section 50). The goal of the Matching Grants Program is to increase the visibility of Delaware's tourism product. Only not-for-profit entities are able to submit matching grants proposals. However, for profit businesses are allowed to participate in partnership programs submitted by not-for-profits. All packaging programs must include at least one ~~hotel-lodging~~ property in order to promote overnight business to Delaware. All projects must tie in to the ~~State Marketing Plan~~ Delaware Tourism Office's Strategic Plan for the tourism industry.

1.2 The total amount available for matching grants is designated by the Delaware General Assembly in the operating budget. It is expected that there will be a number of Matching Grants Programs awarded. Four or more properties (one of the properties must be a lodging property) working together on a package will be able to receive a match of 2-to-1 instead of 1-to-1.

1.3 To be eligible, the applicant organization must have a marketing plan with a clear vision as to how to attract out-of-state visitors.

1.4 The grants are to be used for the marketing of tourism organizations, products, programs or areas.

1.5 Use of Matching Grants:

1.5.1 It is expected that the Matching Grant funds will be used to market the petitioning tourism organization or partnership of organizations to attract new overnight visitors to the state of Delaware. There are 5 categories of Matching Grants to apply from: 1) Advertising 2) Package creation and partnerships 3) collateral creation 4) Tourism Infrastructure (i.e. signage, welcome centers, transportation services, seasonal employee transportation) 5) Tourism Product Development (i.e.sports/special event development, new tourism businesses, enhancing existing tourism product offerings).

1.5.2 The grant must target one of the niche markets that have been identified in the Delaware Tourism Office's Strategic Plan: 1) Outdoor Recreation/Nature Tourism 2) Cultural and Heritage Tourism 3) Meetings and Conventions 4) Sports and Special Events.

1.5.3 A tracking mechanism must be in place to measure R.O.I. for visitation or overnight stays.

1.5.24 The same organization may apply for more than one Matching Grant; however, only one Matching Grant will be awarded per organization per year.

1.5.35 The purpose is to attract visitors to Delaware and to bring in overnight business. Therefore, advertising applicants must show a plan to advertise out of state.

6 DE Reg. 688 (11/1/02)

10 DE Reg. 1415 (03/01/07) (Prop.)

2.0 Matching Funds:

2.1 Matching funds are required. The organization's matching fund commitment is part of the application. The organization's matching fund commitment must be met for full payment of the grant. No other state grant funds may be used for the organization's match.

3.0 Award Determination:

3.1 It is expected that the organizations receiving awards will be selected by a panel composed of employees or members of the following:

3.1.1 Delaware Tourism Office

3.1.2 Governor's Tourism Advisory Board

3.1.3 House Tourism Committee

6 DE Reg. 688 (11/1/02)

4.0 Criteria:

4.1 Organizations must demonstrate that their vision supports the Delaware ~~tourism industry's Five Year Strategic Plan and Marketing Plan~~ Tourism Office's Strategic Plan for the tourism industry. Awards will be based on the organization's ability to communicate a vision that the panel believes is possible and has the potential to increase tourism. The program must be geared toward attracting new out-of-state visitors and overnight business. Only not-for-profit tourism entities are eligible. The Delaware Tourism Office's name, brand logo, and web address must appear on all created collateral. The Delaware Tourism Office will have full rights to use any photography and videography produced. There will be no attempt to balance the awards geographically, politically, or categorically nor discriminate geographically, politically or categorically.

10 DE Reg. 1415 (03/01/07) (Prop.)

5.0 Award Process

5.1 All complete applications that are received by the deadline will be forwarded to the awards panel for rating. The applications receiving the highest average rating will be scheduled to make an oral presentation to the panel. The awards will be announced a week later.

5.2 Grant Award Payments:

5.2.1 The payments will be paid upon proof of completion of the project and submission of invoices supporting the ~~funds expenditures~~ expenditure of the funds appropriated. To receive final payment, all organizations will need to complete all project completion requirements.

10 DE Reg. 1415 (03/01/07) (Prop.)

6.0 Eligibility

6.1 Not-for-profit tourism related businesses and organizations are eligible. Organizations must submit proof of 501(c)(3) or 501(c)(6) status and supply 990 IRS documentation when applying for a direct grant. Organizations can not apply under the umbrella of another organization such as a Chamber of Commerce.

6.2 ~~Submitting organizations must submit proof of not for profit status~~ The same organization may apply for more than one Matching Grant, however, only one Matching Grant will be awarded per organization per year.

6.3 For-profit tourism businesses may be part of programs submitted for grant programs; however, they must be a partner of a not-for-profit applicant organization and may not submit the application.

6.4 Only in-state tourism entities may apply.

6.5 The applicant organization's main product or program must be intended to attract new visitors and overnight business and must fit into the Delaware Tourism Office's Strategic Plan for the tourism industry.

6.6 Partnerships between four or more tourism entities (one of the properties must be a lodging property) are encouraged. Partnerships will receive a 2-to-1 dollar match instead of a 1-to-1 dollar match.

6.7 Organizations may not apply for a Matching Grant if grant requirements were not met in the previous fiscal year.

6 DE Reg. 688 (11/1/02)

10 DE Reg. 1415 (03/01/07) (Prop.)

7.0 Application Requirements

7.1 Incomplete applications will not be considered (see application for required attachments).

7.2 Submit four completed copies of each application (three-hole punch application, but do not bind).

7.3 More than one application may be submitted per organization; however, only one Matching Grant will be awarded per organization.

7.34 All completed applications must be received at the Delaware Tourism Office at 99 Kings Highway, Dover, DE 19901. Applications will not be accepted after the deadline or at any other location. Applications may not be submitted electronically, via fax or email.

7.45 It is the responsibility of the applicant to ensure that the application is complete and received prior to deadline.

7.56 If the creation of a package is a proposal for a Matching Grants Program grant the package must include an accommodation.

7.67 All invoices must be received at the Delaware Tourism Office, 99 Kings Highway, Dover DE 19901
All applicants are invited to attend an Application Seminar.

6 DE Reg. 688 (11/1/02)

10 DE Reg. 1415 (03/01/07) (Prop.)

8.0 Matching Funds

8.1 All funds must be raised and collected prior to payment of the award.

8.2 No other state grant funds may be used for the organization's match.

8.3 Staff salaries, volunteer labor and in kind donations do not qualify as a match.

9.0 Grant Awards

9.1 Awards will be granted based on the merit of the program being submitted. The purpose of the Matching Grants Program is to attract new visitors and overnight business to Delaware. The goal of the Matching Grants Program is to increase the visibility of Delaware's tourism product. Four or more properties working together including at least one hotel lodging property, through a package will be able to receive a match of 2-to-1 instead of 1-to-1. Only not-for-profit entities are able to submit matching funds proposals. However, for-profit businesses are allowed to participate in partnership programs submitted by not-for-profit organizations. All package programs must include at least one hotel lodging property in order to promote overnight business to Delaware. All projects must tie in to the State Marketing Plan Delaware Tourism Office's Strategic Plan for the tourism industry. There will be no attempt to balance the awards geographically, politically, or categorically nor discriminate geographically, politically or categorically.

10 DE Reg. 1415 (03/01/07) (Prop.)

10.0 Payments

10.1 Final payments may be requested after all project completion requirements have been met and proper documentation is submitted.

10.2 All invoices must be sent to the Delaware Tourism Office.

11.0 Use of Funds

11.1 Funds may not be used for:

11.1.1 General operating expenses including staff salaries, overhead or personnel expenses.

11.1.2 Administrative expenses, including any commissions, fees or other expenses for administration of the project.

11.1.3 Food and beverages

11.1.4 Equipment purchase and rental

11.1.5 Business directories

- 11.1.6 Postage, shipping and office supplies
- 11.1.7 Meeting expenses
- 11.1.8 Website domain registration or hosting
- 11.1.9 Event Sponsorship
- 11.1.810 Anything contrary to state law.
- 11.1.911 Other restrictions on the use of the funds may be added at the time of the award

based on the project definition.

10 DE Reg. 1415 (03/01/07) (Prop.)

12.0 Project Completion Requirements

12.1 At a minimum the following must be submitted for final payment:

- 12.1.1 Completed project ~~report~~
- 12.1.2 Completed project report
- 12.1.23 Invoices must be submitted
- 12.1.4 Cancelled checks
- 12.1.35 Marketing plan Distribution plan for project
- 12.1.46 The Delaware Tourism Office's name, brand logo and ~~must be used as well as~~

~~Delaware Tourism Office name, phone number and~~ website address must appear on all created collateral

12.2 Other project completion requirements may be added at the time of the award based on project definition.

6 DE Reg. 688 (11/1/02)

10 DE Reg. 1415 (03/01/07) (Prop.)

13.0 Applicant Information

13.1 Applicants shall fill out the Matching Grants Program Applicant Information Sheet as prescribed by the Delaware Tourism Office. The Applicant Information is available at: 99 Kings Highway, Dover, DE 19901.

1152 Direct Grants Program

1.0 Program Description

1.1 The purpose of the program is to attract visitors to Delaware and to bring in overnight business to Delaware. (Delaware Statutory Authority: 73 Delaware Laws Chapter 312; section 50). The goal of the Direct Grant Program is to increase the visibility of Delaware's tourism product. Direct Grants are geared only toward not-for-profit tourism entities. Only not for profit tourism entities with a marketing budget of \$15,000 or less are eligible for Direct Grants. All projects must tie in to the State Marketing Plan Delaware Tourism Office's Strategic Plan for the tourism industry.

1.2 The total amount available for Direct Grants is designated by the General Assembly in the operating budget. It is expected that there will be a number of direct grant programs awarded.

1.3 To be eligible, organizations must have a marketing plan with a clear vision as to how to attract out-of-state visitors.

1.4 The grants are to be used for the marketing of Delaware tourism organizations, products, programs or areas.

1.5 Use of Direct Grants:

1.5.1 It is expected that the Direct Grant funds will be used to actively market the petitioning tourism organization or partnership of organizations to attract new overnight visitors to the state of Delaware. There are two categories of Direct Grants to apply from: 1) Collateral creation (maps, brochures, travel guides, website, online marketing 2) Photography and videography (CDs, DVDs, TV commercials)

1.5.2 The grant must target one of the niche markets that have been identified in the Delaware Tourism Office's Strategic Plan: 1) Outdoor Recreation/Nature Tourism 2) Cultural and Heritage Tourism 3) Meetings and Conventions 4) Sports and Special Events

1.5.3 A tracking mechanism must be in place to measure R.O.I. for visitation or overnight stays.

1.5.24 The same organization may apply for more than one Direct Grant; however, only one Direct Grant will be awarded per organization, per year.

6 DE Reg. 685 (11/1/02)

2.0 Award Determination:

2.1 It is expected that the organizations receiving awards will be selected by a panel composed of employees or members of the following:

- 2.1.1 Delaware Tourism Office
- 2.1.2 Governor's Tourism Advisory Board
- 2.1.3 House Tourism Committee

6 DE Reg. 685 (11/1/02)

3.0 Criteria:

3.1 Organizations must demonstrate that their vision supports one or more of the attract goals of the Delaware tourism industry's ~~Five Year Strategic Plan and Marketing Plan~~. Awards will be based on the organization's ability to communicate a vision that the panel believes is possible and has the potential to increase tourism. The program must be geared toward attracting new out-of-state visitors and overnight business. Only not-for-profit tourism entities are eligible. The Delaware Tourism Office's name, support the Delaware Tourism Office Marketing Plan, DTO brand logo, and web address must appear on all created collateral. The Delaware Tourism Office will have full rights to use photography and videography produced. There will be no attempt to balance the awards geographically, politically, or categorically nor discriminate geographically, politically or categorically.

4.0 Award Process

4.1 All complete applications that are received by the deadline will be forwarded to the awards panel for rating. The applications receiving the highest average rating will be scheduled to make an oral presentation to the panel. Awards will be announced the following week.

4.2 Direct Grant Award Payments:

4.2.1 Payments will be paid upon proof of completion of the project and submission of invoices supporting the ~~funds expenditures~~ expenditure of the funds appropriated. All requirements and criteria of the program need to be met.

5.0 Eligibility

5.1 Not-for-profit tourism related businesses and organizations are eligible. Organizations must submit proof of 501(c)(3) or 501(c)(6) status and supply 990 IRS documentation when applying for a direct grant. Organizations cannot apply under the umbrella of another organization such as a Chamber of Commerce.

5.2 ~~Submitting organizations must submit proof of not for profit status and the organization's complete operating budget~~ Only in-state tourism entities may apply.

5.3 ~~Only in-state tourism entities may apply.~~ The same organization may apply for more than one Direct Grant, however, only one Direct Grant will be awarded per organization per year.

5.4 The organization's main product or program must fit into the ~~Industry's Five Year Delaware Tourism Office's Strategic Plan for the industry.~~

5.5 Organizations may not apply for a Direct Grant if grant requirements were not met in the previous fiscal year.

6 DE Reg. 685 (11/1/02)

6.0 Application Requirements

6.1 Incomplete applications will not be considered (see application for required attachments).

6.2 Submit four completed copies of each application (three-hole punch application, but do not bind).

6.23 More than one application may be submitted per organization, however, only one Direct Grant will be awarded per organization.

6.34 All completed applications must sent to the Delaware Tourism Office at 99 Kings Highway, Dover, DE 19901. Applications will not be accepted after the deadline or at any other location.

6.45 It is the responsibility of the applicant to ensure that the application is complete and received prior to deadline.

6.6 All applicants are invited to attend an Application Seminar.

7.0 Grant Awards

7.1 Awards will be granted based on the merit of the program being submitted. The purpose of the Direct Grant Program is to attract new visitors and overnight business to Delaware. The goal of the Direct Grant Program is to increase the visibility of Delaware's tourism product. Only not-for-profit entities with a marketing budget of \$15,000 or less are able to submit direct grant proposals. All projects must tie in to the ~~State Marketing Plan~~ Delaware Tourism Office's Strategic Plan. There will be no attempt to balance the awards geographically, politically, or categorically.

6 DE Reg. 685 (11/1/02)

8.0 Payments

8.1 Final payments may be requested after all project completion requirements have been met and proper documentation is submitted.

8.2 All invoices must be submitted to the Delaware Tourism Office.

9.0 Use of Funds

9.1 Funds may not be used for:

9.1.1 General operating expenses including staff salaries, overhead or personnel expenses.

9.1.2 Administrative expenses, including any commissions, fees or other expenses for administration of the project.

9.1.3 Food and beverages

9.1.4 Equipment purchase and rental

9.1.5 Business directories

9.1.6 Postage, shipping and office supplies

9.1.7 Meeting expenses

9.1.8 Website domain registration or hosting

9.1.9 Event Sponsorship

9.1.810 Anything contrary to state law.

9.1.911 Other restrictions on the use of the funds may be added at the time of the award based on the project definition.

10.0 Project Completion Requirements

10.1 At a minimum the following must be submitted for final payment:

10.1.1 Completed project ~~report~~

10.1.2 Completed project reports

10.1.23 Invoices must be submitted-

10.1.34 ~~Marketing plan~~ Project budget

10.1.5 Distribution plan for project

10.1.46 The ~~Delaware brand~~ must be used as well as Delaware Tourism Office's name, brand logo, phone number and website address must appear on all created collateral.

10.2 Other project completion requirements may be added at the time of the award based on project definition.

6 DE Reg. 685 (11/1/02)

11.0 Applicant Information

11.1 Applicants shall fill out the Direct Grant Program Applicant Information Sheet as prescribed by the Delaware Tourism Office. The Applicant Information is available at 99 Kings Highway, Dover, DE 19901.

5 DE Reg. 1312 (12/1/01)