

LOCAL HOTEL RELIEF

RECOMMENDATIONS FROM
COMMUNITY PROMOTION & TOURISM COMMITTEE

LOCAL HOTEL RELIEF OVERVIEW

- Previous Village Board Direction
 - 2021 annual budget workshop and discussions
 - \$300,000 allocated for local hotel relief programs
- Recommendations from the Community Promotions & Tourism Committee
 - \$25,000 of additional funding towards DuPage Convention and Visitors Bureau Tourism Grant Program
 - Development of Local Hotel Relief Grant Program with funding of \$275,000

FUNDING HISTORY

- Village Board discussion as part of the annual budget planning process in Fall 2021
- Allocation of general fund revenue made available as a result of ARPA funding towards public safety salaries
- Board approved a \$300,000 allocation of supportive funding to the tourism industry and local hotel recovery
- Subsequent recommendations to come from Community Promotion & Tourism Committee

COMMUNITY PROMOTION & TOURISM COMMITTEE REVIEW AND DISCUSSION

- Committee discussion on funding allocation late 2021 through August 2022 including:
 - Brainstorming session
 - Review and discussion of similar programs and best practices
 - Meeting and program discussion with local hotels
 - Conducted a survey of local hotels relative to recovery, interests and grant possibilities

COMMUNITY PROMOTION & TOURISM COMMITTEE RECOMMENDATIONS

- Recommendations from the Community Promotions & Tourism Committee
 - Additional funding of \$25,000 towards existing DuPage Convention and Visitors Bureau Tourism Grant Program
 - Development of Local Hotel Relief Grant Program with funding of \$275,000

DCVB TOURISM GRANT PROGRAM

- Grant program to secure group business and events (typically those generating 100 or more room nights)
- Reimbursement grant, paid only post-event upon proof of room nights
- Current allocation of \$25,000 annually, recent funding constrained and applications increasing
- Administered as a matching grant between DCVB/local communities
- Economic impacts evaluated and tracked
 - More than 50,000 room nights approved since 2016
 - Economic impact exceeding \$10 million overall \$4.5 million locally

LOCAL HOTEL RELIEF GRANT PROGRAM

- Recommended development of a grant program with funding of \$275,000 in total across all hotels
- Purpose – To provide support to local Lombard hotels to facilitate recovery post-pandemic
- Eligibility – Ownership entity operating one or more hotels within the corporate limits
- Funding Mechanism – Reimbursement program with limited exceptions for grant advance
- Schedule – Announcement and application through end of 2022
- Process – Grants submitted simultaneously with review and recommendation by CPTC to Village Board
- Application – Supplement to DuPage Hotel Relief Grant Program detailing eligible expense categories, budget, and/or estimates

LOCAL HOTEL RELIEF GRANT ELIGIBLE EXPENSES

- Eligible expenses
 - Support for hotel promotions and marketing;
 - Support for capital improvements to the hotel;
 - Funds to incentivize group business through grant awards or rebates;
 - Support for safety and security improvements;
 - Funded promotions or incentives to provide hotel guests with incentive to stay (vouchers, cash rebates, gift cards, or tickets to attractions);
 - Support for other improvements to hotel facilities or other services; and,
 - Funds to support industry memberships or attendance at trade shows

LOCAL HOTEL RELIEF GRANT FUNDING LIMITS

- Initial funding shall be capped at proportionate share of total grant funds available
- Total number of hotel rooms in Lombard – 1,721
- Individual hotel grant funding cap of \$159.79 per room
- Estimate of potential funding caps ranging from \$11,504-\$87,158

REQUESTED ACTION

- Board of Trustees to consider recommendations from the Community Promotion and Tourism Committee
 - Additional funding of \$25,000 towards existing DuPage Convention and Visitors Bureau Tourism Grant Program; and
 - Development of Local Hotel Relief Grant Program with funding of \$275,000
- Subsequent applications will be shared with Board of Trustees for consideration upon review and recommendation by the Community Promotion and Tourism Committee