



Visit McKinney Grant Inquiry Letter

APPLICANT INFORMATION

Organization Name: SBG Hospitality

EIN: 81-5195550

Mailing Address: 7200 W University Drive, Suite 210

City: Mckinney State: TX Zip: 75071

Phone: 318-664-1772 Email: andrew@sbghospitality.com

Website: www.sbghospitality.com

Primary Contact: Andrew Stephan

Title: Vice President

Phone: 318-664-1772

Email: andrew@sbghospitality.com

Project Title: 7th Annual Mckinney Wine & Musical Festival

Total Amount to be Requested: \$7,500

PROJECT DESCRIPTION *(Please attach an additional page if needed)*

See attached application & presentation

Send this document or make other inquiries to:

Visit McKinney

Executive Director

200 W. Virginia • McKinney, TX • 75069

972-547-2059 • executivedirector@visitmckinney.com



ABOUT SBG HOSPITALITY

SBG Hospitality is an event production company based in McKinney, TX. Our events are created in partnership with local sponsors and vendors.

Each of our events promote tourism, showcases local small businesses, gives back to a local non-profit, and provides FUN experiences for the community! In 2022 SBG donated nearly \$30k to local nonprofits.

We are a team of 6 and we organize 15-20 events per year mostly in Collin County.

Our McKinney Community events include:

McKinney Wine and Music Festival

McKinney Monster Dash 5k

McKinney St. Patrick's Day Shamrock Run 5K

McKinney Run for the Rose 5k

McKinney Sip and Stroll Series in Downtown McKinney



EVENT DESCRIPTION



The 7th Annual ***McKinney Wine & Music Festival*** will take place on Saturday, October 14th from 12pm-5pm at Towne Lake Park!

We had another successful year in 2022 bringing out nearly 5,000 attendees to Towne Lake Park and increasing our paid attendance by over 10%. Nearly 70% of those attendees came from outside McKinney.

In 2023 we hope to increase attendance to over 6,000



The festivities include local musicians, wine tastings, a VIP tent experience, grape stomping, culinary demonstrations and lots of great shopping. The event partners with over 100 local small business owners giving them an opportunity to showcase their business!



Every year the McKinney Wine & Music Festival gives back to local non-profits and in 2022 we were able to give back over \$4,500 to The Warriors Keep, Love Life Foundation and the Frisco Women's League.

OBJECTIVES AND GOALS



Our continued long term objective with the McKinney Wine & Music Festival is to promote tourism and attract visitors to McKinney. Putting an emphasis on local McKinney business, wineries, musicians and shopping. We'd like to grow the festival and its attendance year over year!



Inflation, and the effects of the pandemic, are still an issue for the events industry and the grant would play a HUGE role on our marketing & advertising efforts to bring visitors to McKinney.

This event has a fantastic presence and reputation of being a fun festival in McKinney, TX! It highlights McKinney as a unique and fun destination. The festival offers local McKinney businesses opportunities to sell their products and promote their business!



The event continues to put an emphasis on cultural arts in McKinney and continues to expand the music portion of the event, highlighting McKinney as a Music Friendly Community.

HOW THE GRANT WOULD BE SPENT:

Flyer Printing: \$100

Digital ads: \$2,500

Social Media Influencers: \$2,000

Social Media Ads: \$2,300

PR Agency: \$250

Digital advertising has become very effective, especially because we are able to send emails to a specific location to 50k+ subscribers and that helps us bring out of town guests to McKinney.

Social media remains the most important form of advertising the events and the money spent on PR is also very helpful because it secures a variety of television spots and articles with DFW publications.

Social Media Influencers help not only promote the event but also the community and local McKinney participating businesses that have partnered with the event.



ADDITIONAL INFORMATION



The event receives over 10 million impressions that bringing tourism and hotel stays to McKinney! We have learned best practices to get the word out and promote the event effectively with the awarded grant funds.

The cost of tickets will vary with wine passes starting at \$30.



Our event expenses are expected to be \$100k-\$110k and we are requesting \$7,000 to help us afford the advertising necessary to continue to grow the event. Our gross revenue is planned to be at \$170k this year.

We anticipate seeing our expenses continue to increase and fluctuate in 2023. Making the grant more needed than ever!

Thank you for your consideration! The support from Visit McKinney would be very impactful on the success of the event and bringing out of town visitors to the festival!



We plan on making the McKinney community proud with a fantastic ***McKinney Wine & Music Festival!***



2023 Mckinney Wine & Music Festival			
Business Name	Item / Service / Rental	Amount Paid	Estimate
		2022	2023
RENTALS [1]			
Shag Prop Rentals	Event Decor & Activations	\$9,475.00	\$15,000.00
Big D	Tents, chairs, tables, etc	\$8,624.82	\$9,500.00
DLB	Barricades	\$1,328.00	\$1,500.00
Rental One	Generators	\$4,744.00	\$4,800.00
Lite Letters		\$569.00	\$650.00
Balloons		\$1,100.00	\$1,100.00
Game On	See Saw	\$562.92	\$570.00
Utility Vehicles		\$1,688.70	\$2,000.00
Uhaul Truck		\$541.14	\$550.00
Restrooms		\$2,777.00	\$3,000.00
HIRED SERVICES [2]			
Brookstone	Sound Management	\$2,400.00	\$2,400.00
Videographer		\$1,000.00	\$1,000.00
Photographer		\$300.00	\$350.00
Overnight Security		\$900.00	\$1,000.00
Parking Coordinators		\$725.00	\$750.00
Police		\$2,280.00	\$2,500.00
Entertainment		\$8,480.00	\$9,000.00
Emcee's		\$650.00	\$700.00
Street Sweeper		\$465.48	\$475.00
Decorative Lighting		\$812.00	\$850.00
LABOR [3]			
Event Labor	Event Labor	\$6,795.33	\$8,500.00
Bartenders	Bartenders	\$4,128.00	\$5,500.00
Decor/Merchandise/Supplies/Equipment/Signage [4]			
Ice		\$1,266.00	\$1,300.00
Fencing		\$1,203.00	\$1,300.00
Grapes	Grape Stomping	\$404.00	\$400.00
Signage		\$2,992.99	\$3,000.00
T-Shirts		\$502.15	\$550.00
Misc. Fees & Expenses [5]			
Wineries		\$16,581.00	\$17,000.00
Charitable Donations		\$4,500.00	\$4,500.00
Misc. Fees & Expenses		\$914.95	\$915.00
Permit Fees		\$240.00	\$240.00
Restaurants		\$9,000.00	\$0.00

2023 Mckinney Wine & Music Festival			
Business Name	Item / Service / Rental	Amount Paid	Estimate
		2022	2023
TOTAL		\$97,950.48	\$100,900.00

Texas Franchise Tax Return Summary

For privilege period covering 01/01/22 through 12/31/22
SBG HOSPITALITY LLC *****

Taxable Income

Total Revenue	1,228,570	
Margin subject to apportionment	228,570	
Apportionment factor	1.0000	
Margin apportioned to TX	228,570	
Allowable deductions		
Taxable margin		228,570

Tax Computation

Taxable margin	228,570	
Tax rate	.007500	
Tax due before adjustments	1714.28	
Tax credits		
Tax due before discount	0.00	
Discount	0.00	
Total tax due		0.00

Payments/Penalties

Prior payment		
Penalty		
Interest		
Total payments/penalties		

Total tax due and payable **0.00**

Refund

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TX 2022 05-102
Ver. 13.0 (Rev 9-15/33)

Texas Franchise Tax Public Information Report

To be filed by Corporations, Limited Liability Companies (LLC), Limited Partnerships (LP), Professional Associations (PA) and Financial Institutions

■ Tcode 13196

Taxpayer number *****		Report year 2022	You have certain rights under Chapter 552 and 559, Government Code, to review, request and correct information we have on file about you. Contact us at 1-800-252-1381.	
Taxpayer name SBG HOSPITALITY LLC			<input type="checkbox"/> Check box if the mailing address has changed.	
Mailing address 7200 W UNIVERSITY SUITE 210			Secretary of State (SOS) file number or Comptroller file number 0802639642	
City MCKINNEY	State TX	ZIP code plus 4 75071-7202		

Check box if there are currently no changes from previous year; if no information is displayed, complete the applicable information in Sections A, B and C.

Principal office 7200 W UNIVERSITY SUITE 210 MCKINNEY TX75071-7202
Principal place of business 7200 W UNIVERSITY SUITE 210 MCKINNEY TX75071-7202



You must report officer, director, member, general partner and manager information as of the date you complete this report.

Please sign below! This report must be signed to satisfy franchise tax requirements.

3206275728422

SECTION A Name, title and mailing address of each officer, director, member, general partner or manager.

Name LAUREN STEPHAN	Title MANAGING MEMBER	Director <input checked="" type="checkbox"/> YES	Term expiration m m d d y y
Mailing address 2509 TREMONT BLVD	City MCKINNEY	State TX	ZIP Code 75071-8634
Name	Title	Director <input type="checkbox"/> YES	Term expiration m m d d y y
Mailing address	City	State	ZIP Code
Name	Title	Director <input type="checkbox"/> YES	Term expiration m m d d y y
Mailing address	City	State	ZIP Code

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SECTION B Enter information for each corporation, LLC, LP, PA or financial institution, if any, in which this entity owns an interest of 10 percent or more.

Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution NONE	State of formation	Texas SOS file number, if any	Percentage of ownership
Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership

SECTION C Enter information for each corporation, LLC, LP, PA or financial institution, if any, that owns an interest of 10 percent or more in this entity.

Name of owned (parent) corporation, LLC, LP, PA or financial institution NONE	State of formation	Texas SOS file number, if any	Percentage of ownership
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Registered agent and registered office currently on file (see instructions if you need to make changes)		You must make a filing with the Secretary of State to change registered agent, registered office or general partner information.	
Agent: LAUREN STEPHAN	Office: 2509 TREMONT BOULEVARD	City: MCKINNEY	State: TX ZIP Code: 75071

The information on this form is required by Section 171.203 of the Tax Code for each corporation, LLC, LP, PA or financial institution that files a Texas Franchise Tax Report. Use additional sheets for Sections A, B and C, if necessary. The information will be available for public inspection.

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief, as of the date below, and that a copy of this report has been mailed to each person named in this report who is an officer, director, member, general partner or manager and who is not currently employed by this or a related corporation, LLC, LP, PA or financial institution.

sign here <input checked="" type="checkbox"/>	Title MANAGING MEMBER	Date 08/08/2022	Area code and phone number 318-527-9221
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Texas Comptroller Official Use Only



VE/DE <input type="checkbox"/>	PIR IND <input type="checkbox"/>
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TX 2022 05-163
Ver. 13.0 (Rev 8-21/10)

Texas Franchise Tax No Tax Due Report

■ Tcode 13255 ANNUAL

The law requires No Tax Due Reports originally due on or after Jan. 1, 2016 to be filed electronically. Filing this paper report means you are requesting, and we are granting, a waiver from the electronic reporting requirement for this report year ONLY.

■ Taxpayer number *****	■ Report year 2022	Due date 11/15/2022
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Taxpayer name SBG HOSPITALITY LLC				Secretary of State file number or Comptroller file number 0802639642	
Mailing address 7200 W UNIVERSITY SUITE 210					
City MCKINNEY	State TX	Country UNITED STATES	ZIP code plus 4 75071-7202	Check box if the address has changed <input type="checkbox"/>	
Check box if this is a combined report <input type="checkbox"/>				NAICS code ■ 711300	
Check box if Total Revenue is adjusted for Tiered Partnership Election, see instructions. (Note: Upper tiered partnerships do not qualify to use this form.) <input type="checkbox"/>					
Is this entity a corporation, limited liability company, professional association, limited partnership or financial institution? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					

If any of the statements below are true, you qualify to file this **No Tax Due Report**

(Check all boxes that apply):

1. This entity is a passive entity as defined in Texas Tax Code Sec. 171.0003. (Passive income does NOT include rent.) (See instructions.) 1.
2. This entity's annualized total revenue is below the no tax due threshold. (See instructions.) 2.
3. This entity has zero Texas Gross Receipts. 3.
4. This entity is a Real Estate Investment Trust (REIT) that meets the qualifications specified in Texas Tax Code Sec. 171.0002(c)(4). 4.
5. This entity is a new veteran-owned business as defined in Texas Tax Code Sec. 171.0005. (Must be pre-qualified, see instructions) 5.

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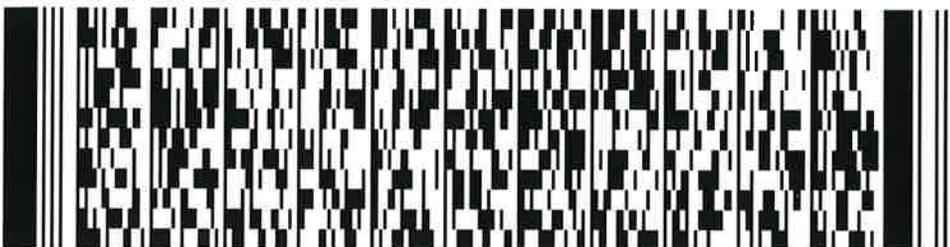
6a. Accounting year begin date	m m d d y y	6b. Accounting year end date	m m d d y y
6a. ■ 010121		6b. ■ 123121	

7. TOTAL REVENUE (Whole dollars only) 7. 1228570.00

Print or type name LAUREN STEPHAN		Area code and phone number (318) 664-1772
I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief.		Mail original to: Texas Comptroller of Public Accounts P.O. Box 149348 Austin, TX 78714-9348
sign " here	Date 08/08/2022	

Instructions for each report year are online at www.comptroller.texas.gov/taxes/franchise/forms/. If you have any questions, call 1-800-252-1381.

Texas Comptroller Official Use Only



VE/DE	<input type="checkbox"/>
PM Date	

Form 05-158	TX Two Year Comparison Worksheet	2022 & 2023		
Name SBG HOSPITALITY LLC		SOS file number 0802639642	Taxpayer number *****	
		2021/2022	2022/2023	
	Differences			
Revenue	Gross receipts or sales	636,625	1,228,570	591,945
	Dividends			
	Interest			
	Rents			
	Royalties			
	Gains or losses			
	Other income	41,358		-41,358
	Total gross revenue	677,983	1,228,570	550,587
	Exclusions from gross revenue			
	Total revenue	677,983	1,228,570	550,587
Margin	Cost of goods sold			
	Indirect or administrative overhead costs			
	Other costs			
	Total cost of goods sold			
	Wages and cash compensation			
	Employee benefits			
	Other			
	Total compensation			
	Revenue times 70 percent			
	Revenue less cost of goods sold			
Revenue less compensation				
Revenue less \$1 million				
Margin				
Taxable Margin	Gross receipts in Texas			
	Gross receipts everywhere			
	Apportionment factor			
	Apportioned margin			
	Allowable deductions			
	Taxable margin			
	Tax rate			
	Tax due on taxable margin			
	Tax credits	0.00	0.00	0.00
	Tax due before discount	0.00	0.00	0.00
Discount	0.00	0.00	0.00	
Tax Due and Payable	Total tax due	0.00	0.00	0.00
	Prior payments	0.00	0.00	0.00
	Net tax due	0.00	0.00	0.00
	Penalty	0.00	0.00	0.00
	Interest	0.00	0.00	0.00
	Total amount due and payable	0.00	0.00	0.00

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Franchise Tax Report, Page 1, Line 15 - Wages and Cash Compensation

<u>Description</u>	<u>Federal Amount</u>	<u>Adjustment</u>	<u>TX Amount</u>
SALARIES AND WAGES	\$ 167,038	\$	\$ 167,038
SCH K ORDINARY BUS INC/LOSS	117,105		117,105
SCH K CONTRIBUTIONS	-34,835		-34,835
LAUREN STEPHAN	24,003		24,003
TOTAL	\$ <u>273,311</u>		\$ <u>273,311</u>

Franchise Tax Report, Page 1, Line 16 - Employee Benefits

<u>Description</u>	<u>Federal Amount</u>	<u>Adjustment</u>	<u>TX Amount</u>
EMPLOYEE BENEFITS	\$ 804	\$	\$ 804
TOTAL	\$ <u>804</u>		\$ <u>804</u>

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Sabine Smith

From: Andrew Stephan <andrew@sbghospitality.com>
Sent: Tuesday, February 14, 2023 3:52 PM
To: Sabine Smith; 'Lauren Stephan '
Cc: Aaron Werner
Subject: RE: Tourism Grant Application - Mckinney Wine & Music Festival

*****CITY OF MCKINNEY SECURITY NOTICE*****

THIS IS AN EXTERNAL EMAIL: Do not click links or open attachments from unknown sender and be sure the content is safe.

Hi Sabine,

Thank you for bringing this to our attention and yes I confirm that SBG Hospitality has been made aware that, if we are awarded grant funds for the 7th Annual Mckinney Wine & Music Festival, any receipts for reimbursement need to be turned in by early August to be dispersed by your fiscal year end of September 30th.

Thank you again for your consideration and support of our events!



Andrew Stephan

VICE PRESIDENT
7200 W UNIVERSITY DRIVE SU
MCKINNEY, TX 75071



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From: Sabine Smith <ssmith2@visitmckinney.com>
Sent: Tuesday, February 14, 2023 2:38 PM
To: andrew@sbghospitality.com; Lauren Stephan <hello@sbghospitality.com>
Cc: Aaron Werner <awerner@visitmckinney.com>
Subject: RE: Tourism Grant Application - Mckinney Wine & Music Festival

Hi Andrew,

I have received and reviewed your grant application and I didn't see anything missing, however, I did see that your event **7th Annual Mckinney Wine & Music Festival takes place on October 14, 2023.**

I know you are aware because we discussed it in the last grant cycle you were awarded funds, but I want to avoid any surprises further down the road and therefore I want to highlight, that outlined in our grand guidelines on the bottom of page 4 it states:

“All approved Advertising & Promotional grants must be completed as provided in the performance agreement. All funds must be distributed by Sept. 30 of the fiscal year in which the grant was awarded unless prior consent is secured from Visit McKinney by Aug. 30 of that same fiscal year.”

Since our Fiscal Year runs October 1 through September 30th, we need all re-imbursement requests for the grant buttoned up the very lasted beginning of August/mid-August to allow time to write reimbursement checks before 9-30-2022. Re-imbursement can take up to 30 days.

Please let me know in an email that you are aware of this requirement and whether there are any changes to the application (taking this timeline into consideration) or if we are proceeding with the application as submitted because the advertising and promotion dollars will be spent by the end of our fiscal year, even though the event itself is shortly thereafter.

Whatever you send me I will add to the documents and you can address it in the presentation to the board.

Details about meeting date/time and presentation rules will be sent out later today.

Thanks, and have a great day!

Sabine Smith

Executive Assistant



(McKinney Convention & Visitors Bureau – MCVB)

200 W. Virginia, McKinney TX 75069

972-547-2058 (office)

972-547-2063 (direct desk line)

www.VisitMcKinney.com

Facebook: [VisitMcKinneyTX](https://www.facebook.com/VisitMcKinneyTX)

Instagram: [VisitMcKinneyTX](https://www.instagram.com/VisitMcKinneyTX)

#VisitMcKinneyTX

Sign up for our newsletter [here!](#)



About McKinney

As one of the fastest-growing cities in America, McKinney maintains a nationally-acclaimed quality of life coupled with a convenient location to the DFW area. The city offers award-winning schools, a vibrant historic downtown and cultural district, and a trendy culinary scene set within a uniquely beautiful natural setting. McKinney is home to the top-rated McKinney National Airport and serves as the headquarters to many Fortune 500 companies. A balanced way of life, sense of place and authenticity make McKinney “Unique by nature.” To learn more, visit McKinneyTexas.org.

From: Aaron Werner <awerner@visitmckinney.com>

Sent: Friday, February 10, 2023 4:10 PM

To: Sabine Smith <ssmith2@visitmckinney.com>

Subject: Fwd: Tourism Grant Application - Mckinney Wine & Music Festival

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From: Andrew Stephan <andrew@sbghospitality.com>
Sent: Friday, February 10, 2023 4:09:06 PM
To: MCVB Executive Director <executivedirector@visitmckinney.com>
Cc: 'Lauren Stephan ' <hello@sbghospitality.com>
Subject: Tourism Grant Application - Mckinney Wine & Music Festival

CITY OF MCKINNEY SECURITY NOTICE

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Good Afternoon Aaron!

Please find attached our completed application for the cycle 2 tourism grants for the 2023 Mckinney Wine & Music Festival at Towne Lake Park on Saturday October 14th. We are so excited moving into our 7th year (this is our longest running event) and all the community partners that we get to work with and the impact that it has in Mckinney! We are also SO thrilled and SO grateful to be Visit Mckinney's Tourism Partner of the Year!! We look forward to celebrating with you on the 24th! Please reach out if you have any questions or need any additional information regarding our application. Thanks!



Andrew Stephan

VICE PRESIDENT
7200 W UNIVERSITY DRIVE SU
MCKINNEY, TX 75071



SBG
Hospitality

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