



## Local Hotel Occupancy Tax (HOT) Use Guidelines & Reimbursement Grant Application

The City of Georgetown collects a Local Hotel Occupancy Tax (HOT) from hotels, motels and bed & breakfasts. The Office of Attorney General provides a set of rules that state how the revenue from the HOT may be used.

**According to the Handbook on Economic Development Laws for Texas Cities, the use of HOT revenue is limited to expenditures that meet the following two-part test:**

➤ **First**, every expenditure must *directly* enhance and promote tourism **and** the convention and hotel industry. In other words, the expenditure must be likely to attract visitors from outside Georgetown into the city or its vicinity. If the expenditure is not reasonably likely to accomplish this result, it will not be funded by HOT revenues.

➤ **Second**, expenditures must clearly fit into one of six statutory categories shown below:

### **Expenditure Categories.**

1. Funding the establishment, improvement or maintenance of a convention center or visitor information center.
2. Paying the administrative costs for facilitating convention registration.
3. Paying for tourism-related advertising and promotion of the city or its vicinity.
4. Funding programs that enhance the arts.
5. Funding historical restoration or preservation programs.
6. Sporting events which majority of participants are tourists in cities located in a county with a population of a million or less

### **The Application Process:**

The Convention & Visitors Bureau (CVB) Board of the City of Georgetown accepts applications from organizations and businesses wishing to receive financial support through a reimbursement grant from the Local Hotel Occupancy Tax (HOT) revenue collected.

1. To be considered for a HOT reimbursement grant, applicants must complete the attached form, including the required attachments; deliver them to the Tourism Director at least **90 days** prior to the event or expenditure deadline, and present the application to the CVB Board at the monthly board meeting before any expenditures are made.



2. The Tourism Director will review the application for compliance and completeness and add it to the agenda of the next regularly scheduled CVB Board meeting. The contact name on the application will be expected to attend the CVB Board meeting, present the application to the board and if approved, follow through with the approved expenditure and grant reimbursement process.
3. Requests that are approved by the CVB Board will be forwarded to the City Council. The City Council will make the final decision on the HOT grant request. The Tourism Director will notify the applicant within a week of the decision.

### **Rules Governing your Application:**

1. The applicant must present reasonable evidence that the expenditure or event will increase overnight stays in Georgetown that are consistent with the level of HOT revenues requested.  
*Example: the event is multi-day, 400 of the participants will travel more than 100 miles and 125 participants will stay in Georgetown lodging.*
2. For any applicant applying for HOT funds to advertise an event, the Georgetown CVB Board recommends these funds focus on targeting visitors outside a 100-mile radius of Georgetown. (see map)
3. The applicant must ensure that **all** Georgetown hotels, motels and B&Bs and their current contact phone number, email and/or website are listed on any information you provide to registrant, vendor/event attendees, including event websites. Also all Georgetown hoteliers must be made aware of the event, have access to mailing lists, and have sufficient time to participate in the bidding process for both primary bookings and overflow.
4. If the request is for cooperative advertising support, **the Tourism Director must approve the final advertising copy for appropriate representation of the City of Georgetown and local lodging one (1) week before the ad or publication's print deadline.**
5. **Any promotional materials (brochures, website, advertisements, etc.) using HOT funds are required to include the appropriate Georgetown brand with the visitgeorgetown.com website below the brand. Also, any event sponsor signage is required to include the appropriate Georgetown brand. (Contact the City Public Information Office, 512/930-3690 for the correct version of the brand to use for each promotional item.)**
6. **After the application project is complete, the contact name on the application or a designated representative will be expected to attend the next monthly CVB Board meeting to present a follow up report on items such as visitor attendance data from event surveys and number of visitor overnight stays due to the event/expenditure. (See separate HOT Grant Follow-up Report form)** Any future consideration of funding from the CVB is dependent on the organization providing a report to the board on the use and outcomes from prior funding by the CVB.



**The Reimbursement Process:**

1. After the application has been approved by the CVB Board and the City Council, the application expenditure items that were approved to be used for HOT revenues need to be paid for in full. Proof of payment of each item should then be submitted to the Tourism Director before a single reimbursement check will be issued. *Note: Timing of reimbursement is subject to actual monthly revenue generated by hotels, motels and B&Bs, so it may not be immediate.*



## **Local Hotel Occupancy Tax (HOT) Use Guidelines Reimbursement Grant Application Timeline**

1. (> 90 days before the event) Organization initiates planning for a local project or event.
2. (> 90 days) Organization consults with Tourism Director to understand the actions required to qualify for a HOT reimbursement grant.  
Actions normally include the:
  - a. Delivery of overnight visitors “tourist”
  - b. An open bidding process for housing
  - c. Promotion of Georgetown that is consistent with current ad campaigns and websites.
3. (- 90 days) Applicant completes the “HOT Reimbursement Grant Application” and delivers it with attachments to the Tourism Director.
4. (- 90 days) Tourism Director reviews the application for compliance and completeness and places an action item on the next board meeting agenda.
5. (CVB Board meeting) The Applicant presents the application to the CVB Board and answers any questions for discussion and action.
6. (City Council Meeting) If approved by the CVB Board the Tourism Director will forward the application to the City Secretary for disposition at the next City Council meeting. If approved by the City Council, the Tourism Director notifies the applicant via letter that spells out the reimbursement process of the grant. If not approved, the applicant and City Manager are notified.
7. When the project is complete and receipts for approved expenditures are submitted, the HOT revenue will be distributed to the Organization/Applicant as agreed if all conditions of the original reimbursement grant are satisfactorily completed.



## HOT Reimbursement Grant Application

### *Organization/Business Information*

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Today's Date: \_\_\_\_\_ Event Date: \_\_\_\_\_

Name of Organization/Business: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Contact Phone Number: \_\_\_\_\_ E-mail: \_\_\_\_\_

Is your organization/business: Non-Profit \_\_\_ Private/For Profit \_\_\_ Tax ID #: \_\_\_\_\_

Purpose of your organization/business: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

### *Event or Expenditure Description*

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*Please answer all items that apply to your request.*

Name of your event/expenditure: \_\_\_\_\_

Website address of your event/expenditure: \_\_\_\_\_

Date(s) of event/expenditure: \_\_\_\_\_

How will the funds be used? \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_



Primary location of event/expenditure: \_\_\_\_\_  
Number of total persons expected to attend this event/expenditure: \_\_\_\_\_  
Number of persons expected to visit event or expenditure monthly/yearly: \_\_\_\_\_  
Approximately number of people attending/visiting event or expenditure will stay overnight in local hotels, motels or bed & breakfasts? \_\_\_\_\_

***Required Attachments:***

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Along with the application, please submit the following attachments:

- \_\_\_\_\_ Itemized, detailed list of expenditures relevant for HOT revenue use
- \_\_\_\_\_ Advertising / Marketing Plan, including target audience
- \_\_\_\_\_ List of Board of Directors with contact phone numbers
- \_\_\_\_\_ Event planning timeline, if applicable
- \_\_\_\_\_ Schedule of activities relating to your event/expenditure

***Funding Request:***

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Amount Requested: \$ \_\_\_\_\_  
Amount granted in past for same event or expenditure: \$ \_\_\_\_\_  
Do you anticipate requesting a HOT Reimbursement Grant next year? If so, for what amount? \_\_\_\_\_  
Which Expenditure Category from page 1 is most relevant to your project/event? \_\_\_\_\_



## HOT Reimbursement Grant Agreement Form

*Please return completed application with necessary attachments and signature to the Georgetown Convention & Visitors Bureau, 103 W. 7th St. or P.O. Box 409, Georgetown, TX 78627 no later than 90 days prior to event or project. If you have any application questions, please contact the Tourism Director at 512/930-3545.*

I have met with the Georgetown Tourism Director, and I fully understand the HOT Reimbursement Grant Application Process, Rules Governing the Application and the Reimbursement Process established by the Georgetown CVB Board. I intend to use this grant for the aforementioned event/project to forward the efforts of the Georgetown CVB in *directly* enhancing and promoting tourism **and** the convention and hotel industry by attracting visitors from outside Georgetown into the city or its vicinity.

I have read the HOT Reimbursement Grant Application Process including the Rules Governing the Application and the Reimbursement Process.

I understand that if I am awarded a HOT Reimbursement Grant by the Georgetown CVB Board, any deviation from the approved project or from the Rules Governing the Application may result in the partial or total withdrawal of the HOT Reimbursement Grant.

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*Business/Organization Name*

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*Applicant's Signature*

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*Date*



***CVB Board Recommendation***

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Amount Granted Subject to Council Approval: \$ \_\_\_\_\_

Conditions of Grant: \_\_\_\_\_

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**CVB Board Approval Signature:** \_\_\_\_\_ **Date** \_\_\_\_\_

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**City Council Approval Signature:** \_\_\_\_\_ **Date** \_\_\_\_\_

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