



## **Local Hotel Occupancy Tax (HOT)**

### ***Use Guidelines & Grant Application Timeline***

The use of Dripping Springs HOT revenue is limited to expenditures that meet the following two-part test:

**Part One:** 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 Dripping Springs 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.

**Part Two:** Every expenditure must clearly fit into one of the statutorily provided 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 advertising, solicitation, and promotions that attract tourists and convention delegates to the city or its vicinity.
4. Expenditures that promote the arts.
5. Funding historical restoration or preservation programs.
6. Funding certain expenses, including promotional expenses, directly related to a sporting event in within a county with a population under one million.
7. Funding transportation systems for tourists.
8. Funding for signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality.

#### **The Application Process:**

1. The City of Dripping Springs accepts applications from organizations and businesses requesting financial support through a grant from the Local Hotel Occupancy Tax (HOT) revenue collected.
2. To be considered for a HOT grant, applicants must complete the attached form, including the required attachments and deliver them to the City Administrator.
3. The City Administrator will review the application for compliance and completeness. Applications that are deemed completed and in compliance with the statutory requirements will be submitted to the HOT Committee and City Council for consideration of funding during the annual budget process. Applications submitted after the budget has been approved may be considered by a case basis and when funds are available.
4. HOT meeting with applicants (encouraged to attend)

**Rules Governing your Application:**

1. The applicant must present reasonable evidence that the expenditure or event will increase overnight stays in Dripping Springs that are consistent with the level of HOT revenues requested. Example: the event is multiple days, 400 of the participants will travel more than 100 miles and 125 participants will stay in the City of Dripping Springs.
2. For any applicant applying for HOT funds to advertise an event, the City recommends these funds focus on targeting visitors outside a 100-mile radius of Dripping Springs.
3. The applicant must ensure that all Dripping Springs hotels, motels and B&Bs and their current contact phone number, email and/or website are listed on any information provided to registrant, vendor/event attendees, including event websites, or a link connecting to the Dripping Springs Visitors Bureau’s listing of local lodging is provided. Also, all Dripping Springs 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 City Administrator must approve the final advertising copy for appropriate representation of the City of Dripping Springs and local lodging at least 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 Dripping Springs brand with the appropriate city website below the brand. Also, any event sponsor signage is required to include the appropriate City of Dripping Springs brand. Contact City Hall, (512) 858-4725 for the correct version of the brand to use for each promotional item.
6. After the project is complete, the contact name on the application or a designated representative will be expected to attend a meeting with City Staff/HOT Committee 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. Any future consideration of funding from the City is dependent on the business/organization providing a report on the use and outcomes from prior funding by the City.

**Grant Application Timeline:**

July 13	Applications due to City Administrator
July 17	Mayor or City Council appoints HOT Committee
July 16-20	City Staff reviews applications for completeness and compliance
July 23-27	HOT Committee reviews applications and submits recommendations
Aug. 6-31	City Council to discuss: HOT revenue and available funding for Fiscal Year 2018-2019, Previous Fiscal Year 2017-2018 Funding; HOT Committee Recommendations for Fiscal Year 2018-2019 Funding
Sept. 11	Budget Adopted, which includes HOT Grant Program Available Funds
Sept. 18	City Council considers Agreements for approved HOT Grant Program funding for Fiscal Year 2018-2019



# CITY OF DRIPPING SPRINGS

## Local Hotel Occupancy Tax Grant Program Application

Funding Year – FY 2018-2019

### SECTION 1 – ORGANIZATION INFORMATION

<b>Official Name of Organization/Business:</b>	<b>Date of Application:</b>
<b>Mailing Address:</b>	
<b>Organization's website (optional):</b>	
<b>Contact Name:</b>	
<b>Contact phone number:</b>	<b>Contact email address:</b>
<b>Type of Business/Organization:</b>	<b>Tax ID No.:</b>
<b>Description of Organization</b>	

**SECTION 2 – EVENT/PROJECT DESCRIPTION AND EXPENDITURES**

<b>Name of Event/Project:</b>	<b>Total Event/Project Expenditure:</b>
<b>Funding Request:</b>	<b>Past Event/Project Funding from HOT Grant Funds:</b>
<b>Event/Project Location:</b>	<b>Event/Project Date:</b>
<b>Expected Event/Project Participation Numbers:</b>	<b>Expected Overnight Guests:</b>
<b>Description of Event/Project Activities:</b>	
<b>Description of how the funds will be used for this Event/Project:</b>	
<b>Description of Contributing Funds from Other Sources and Amounts:</b>	

**SECTION 3 – REQUIRED DOCUMENTATION**

*Application will not be considered complete until all required documentation has been submitted and application is signed. If documentation is not applicable to your Event/Project, please select NA.*

- \_\_\_\_\_ Itemized, detailed list of expenditures relevant for HOT revenue use
- \_\_\_\_\_ Advertising/Marketing Plan, including target audience  
*(description of how you will market and who you will market to)*
- \_\_\_\_\_ List of Organization/Business Board of Directors or Owners including contact information for each
- \_\_\_\_\_ Event/Project Timeline
- \_\_\_\_\_ Schedule of Activities relating to Event/Project

**SECTION 4 – AGREEMENT FORM**

**Please return completed application with required attachments to the City of Dripping Springs:**

**By Mail**

City of Dripping Springs  
Attn: City Administrator  
PO Box 384  
Dripping Springs, TX 78620

**Hand Deliver**

City of Dripping Springs  
City Hall  
511 Mercer Street  
City of Dripping Springs, TX 78620

**Electronic Submission**

[mfischer@cityofdrippingsprings.com](mailto:mfischer@cityofdrippingsprings.com)

I fully understand the Local HOT Grant Program Application and Guidelines established by the City of Dripping Springs. I intend to use this grant for the aforementioned Event/Project expenditure to forward the efforts of the City in *directly* enhancing and promoting tourism **and** the convention and hotel industry by attracting visitors from outside Dripping Springs into the city or its vicinity.

I understand that if I am awarded a Local HOT Grant by the City of Dripping Springs, I will be required to enter into a Local HOT Grant Program Agreement with the City and any deviation from the approved project and the Agreement may result in the partial or total withdrawal of the Local HOT Grant Program funds.

\_\_\_\_\_  
*Business/Organization Name*

\_\_\_\_\_  
*Applicant's Signature*

\_\_\_\_\_  
*Date*