



HOTEL OCCUPANCY TAX FUND GRANT ELIGIBILITY AND PROCESS GUIDELINES

By law of the State of Texas, the City of Cedar Park adopted and collects a Hotel Occupancy Tax (HOT) from hotels, bed & breakfasts, and other lodging facilities. Under state law, the revenue from HOT funds may be used only to directly promote tourism and the hotel and convention industry **AND** must fit within a statutorily-authorized expenditure category.

The use of Hotel Occupancy Tax dollars must bring visitors to the City of Cedar Park and increase occupancy in Cedar Park lodging facilities. If an event or project will not generate any meaningful hotel activity, it is not eligible to receive hotel occupancy tax funds.

STATE AND CITY ELIGIBILITY REQUIREMENTS

To be eligible to apply for a HOT Fund Grant the applicant and event or project (hereinafter to as “event”) must directly promote tourism and the hotel and convention industry **AND** meet at least one of the following criteria established by [Chapter 351 of the State of Texas Tax Code](#). Please select **ALL** categories that apply to your event.

- Sporting Event Expenses that Substantially Increase Economic Activity at Hotels:** Expenses including promotional expenses, directly related to a sporting event in which the majority of participants are tourists. The event must substantially increase economic activity at hotels within the city or its vicinity;
- Convention Centers and Visitor Information Centers:** the acquisition of sites for and the construction, improvement, enlarging, equipping, repairing operation and maintenance of convention center facilities or visitor information centers, or both;
- Registration of Convention Delegates:** the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants;
- Promotions of the Arts that Directly Promote Tourism and the Hotel and Convention Industry:** the encouragement, promotion, improvement, and application of the arts that can be shown to have some direct impact on tourism and the hotel/convention industry. The impact may be that the art facility or event can show hotel nights that are booked due to their events or that guests at hotels attend the arts event. Eligible forms of art include instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture, photography, graphic and craft arts, motion picture, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms;

- Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality.**
- Advertising, Solicitations and Promotions that Directly Promote Tourism and the Hotel and Convention Industry:** advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity;
- Historical Restoration and Preservation Activities that Directly Promote Tourism and the Hotel and Convention Industry:** historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums;
- Funding transportation systems for transporting tourists from hotels to and near the city to any of the following destinations:** (a) the commercial center of the city; (b) a convention center in the city; (c) other hotels in or near the city; or (d) tourist attractions in or near the city. The law specifically prohibits the use of the local hotel tax to cover general city transit costs to transport the general public.

ADDITIONAL ELIGIBILITY REQUIREMENTS (ALL MUST BE MET IN ORDER TO APPLY):

- Must be an established organization or business that has been in operation a minimum of two (2) years prior to the date of this application. A tax ID and W-9 will be required with application.**
- No on-going negative publicity related to the event or organization/business. Negative publicity means information, which is broadcasted or publicized through two (2) or more media outlets such as newspapers, radio, television, internet, or comparable print, electronic, or broadcast media and has or is likely to materially reduce public confidence in the business/organization's competence, integrity or viability to conduct business. The City of Cedar Park reserves full discretion to reasonably determine whether publicity is negative and whether the event is consistent with the City's core values and strategic goals.**
- Event must be a minimum of two (2) days. This means the actual activities that comprise the event.**
- Event must generate a minimum of 100 room night stays in Cedar Park hotels.**
- Applicant is not receiving sponsorship money or any other financial contributions from the City of Cedar Park.**
- Applicant has not received funding for this event from the City of Cedar Park Tourism Department for five (5) consecutive years.**
- Applicant has not received funds from the City of Cedar Park Tourism Department for any other event this fiscal year (Oct. 1, 2022-Sep. 30, 2023).**

If you meet the eligibility requirements and can provide supporting documentation, please proceed to the Funding Process Guidelines below:

FUNDING PROCESS GUIDELINES

The following is an explanation of the funding process, requirements, and general timeline. A member of the Tourism staff is available to review this information with applicants in detail. You can contact Cedar Park Tourism at (512) 401-5070 to schedule review.

Notice and Hotel Occupancy Tax (HOT) Fund Grant Application Forms can be found on the cedarparktexas.gov website under the Travel and Tourism department page. The City of Cedar Park Tourism Department will accept applications from eligible organizations and businesses whose proposed projects and events meet all of the above listed Eligibility Requirements. Applications will be accepted throughout the fiscal year subject to fund availability and provided they are received at least 90-days prior to the event for evaluation and processing. Applications for events occurring less than 90 days after the request will be rejected unless there are significant extenuating circumstances (which determination shall be at the discretion of the Tourism manager). Only one application per organization or business can be funded per fiscal year and applications will *not* be accepted for events that have already occurred.

The HOT Funds Grant Program has an annual funding cycle corresponding to the City of Cedar Park's Fiscal Year (October 1-September 30). If you submit your application in September please be aware that if you are awarded funds, the funding is contingent on the Cedar Park City Council approving the City Budget for the upcoming new fiscal year (October 1 is the beginning of the City's fiscal year). The City Budget will not be approved until mid-to-late September. Tourism staff will notify you once the funding has been approved by the City Council.

STEP 1: APPLICATION AND SUPPORTING DOCUMENTATION – Applicants must submit all of the following documents to cedarparktourism@cedarparktexas.gov in order to receive funding consideration. Failure to submit this information will result in rejection of the application. Submission of application does not guarantee funding.

- 1. APPLICATION** – Completed and signed by the event organizer.
- 2. CONFIRMATION OF ROOM BLOCKS** - Applicant must provide written confirmation (ex. hotel agreements, confirmed bookings by attendees, etc.) or an example of the room night survey they will use for Cedar Park hotel room nights meeting or exceeding the 100 room night eligibility requirement.
- 3. MARKETING PLAN** – Applicant must submit a plan documenting how the applicant proposes to market and promote their event or project to attract visitors and overnight stays in Cedar Park hotels. VisitCedarParkTexas.com must be listed as a sponsor on all marketing/advertising collateral. The City of Cedar Park Tourism staff will provide all logo assets. This will be detailed further in the agreement should funding be granted.
- 4. W-9** –Required to establish business legitimacy and will be needed for payment if funds are awarded.
- 5. SIGNED FUNDING PROCESS GUIDELINES DOCUMENT** – This document must be signed and submitted with your application. By signing this document you are acknowledging that you have read, understand, and agree to adhere to the requirements laid out within the document.
- 6. NEED FOR CONTINUED FUNDING (IF APPLICABLE)** – Projects that have received funding for five (5) years, consecutive or not, must provide documentation detailing the need for continued funding. Specifically describe how the use of funds has helped the event develop and expand, identify efforts to obtain other

sources of funding, and explain how the absence of funds would place the continuation of the event in jeopardy.

Completed applications and supporting documentation should be submitted to:
cedarparktourism@cedarparktexas.gov

STEP 2: REVIEW – Tourism Staff will review applications upon receipt for eligibility and completion. Incomplete applications will be returned and applicants must provide missing information within ten (10) business days. Failure to provide requested information in the time allotted will result in rejection of the application.

1. Once application is accepted, tourism staff will use an internal award matrix to determine the funding amount.
2. Tourism staff will notify the applicant via e-mail whether the application is approved or denied. If approved, a Funding Agreement, lodging directory, and Final Report Form will follow (see Step 3 below).

STEP 3: FUNDING AGREEMENT – Once an application is approved for funding Tourism staff will provide the applicant with a Funding Agreement. **NOTE: The Funding Agreement denotes the specific criteria that must be met to receive funding. Failure to meet all requirements outlined in the agreement can result in termination of the agreement and denial of funds.**

The Funding Agreement will need to be completed and signed by the applicant. Signed agreements can be e-mailed to cedarparktourism@cedarparktexas.gov or mailed/delivered to the following address:

City of Cedar Park
Attn: Tourism Office
450 Cypress Creek, Bldg. 1
Cedar Park, Texas 78613

STEP 4: FINAL REPORT AND SUPPORTING DOCUMENTATION – Funds are not distributed until after the completion of the event/project and final reporting is accepted. To receive funds, applicants must submit the following documentation to cedarparktourism@cedarparktexas.gov no later than sixty (60) days after the event. **Failure to submit this information within 60 days of the event can result in termination of the funding agreement and denial of funds.**

1. **FINAL REPORT FORM** – Completed and signed by applicant. This is an appendix to the Funding Agreement, but can also be found at <https://www.cedarparktexas.gov/278/Travel-Tourism> or provided to you by Tourism staff if requested.
2. **HOTEL ROOM NIGHT TRACKING** – It is the responsibility of the applicant to monitor the number of room nights generated by out of town guests who stay in Cedar Park lodging properties. A lodging directory is included with these guidelines and also as an appendix to the Funding Agreement. **Failure to submit this information can result in termination of the Funding Agreement and denial of funds.**

Applicants can document the generation of overnight hotel stays the following ways:

NOTE: Tourism staff is available to assist with securing hotel room blocks prior to the applicant opening registration for the event. It is recommended to utilize this option.

- Reserving room blocks and providing written confirmation (attrition report or email from hotel sales personnel) that the room blocks were filled;
- Distributing a survey to attendees to determine what Cedar Park Hotel they stayed at and the number of days they stayed. Many events obtain this information at event check-in for the most accurate computation of room nights. An approved version of this survey is attached as an appendix to this document.
- Submitting hotel receipts from participants (ex. team blocks).

3. ADDITIONAL SUPPORTING DOCUMENTATION

- Attendee zip code listing (typically obtained through registration or ticket sales);
- At least one sample of all forms of advertising/promoting used in your campaign. If the sample itself does not indicate the medium (radio, TV, print, or mail) used or where the advertising took place (e.g. a city’s newspaper, or a radio spot that does not indicate the city where the spot was played), please include other information that would show location of the advertising and medium utilized. All advertising/promotional campaigns must recognize Visit Cedar Park Texas per the Funding Agreement; and
- Proof of payment for budget expenses in which HOT Funds were used (e.g. copies of invoices, receipts, contracts, etc.).

STEP 5: PAYMENT OF FUNDS – Distribution of funds is dependent upon completion of the final event reporting requirements and the proven number of hotel room nights. The amount of funding cannot exceed the amount stated in the Funding Agreement. Should the amount of proven hotel room nights be fewer than 50% of the minimum eligibility requirement as outlined in the Funding Agreement, funding will be denied.

The City shall remit payment to the Applicant upon acceptance by the Tourism Manager of the Final Report form and all supporting documentation per the requirements laid out in the Funding Agreement. Tourism staff will notify applicant once reimbursement is processed.

By signing below, you acknowledge that you have read and accept the Guidelines For Hotel Occupancy Tax Grant and agree to adhere to all requirements contained within. This signed document must be submitted with your application form.

Signature:

Date:

Printed name:

Title: