



Hotel/Motel tax grants

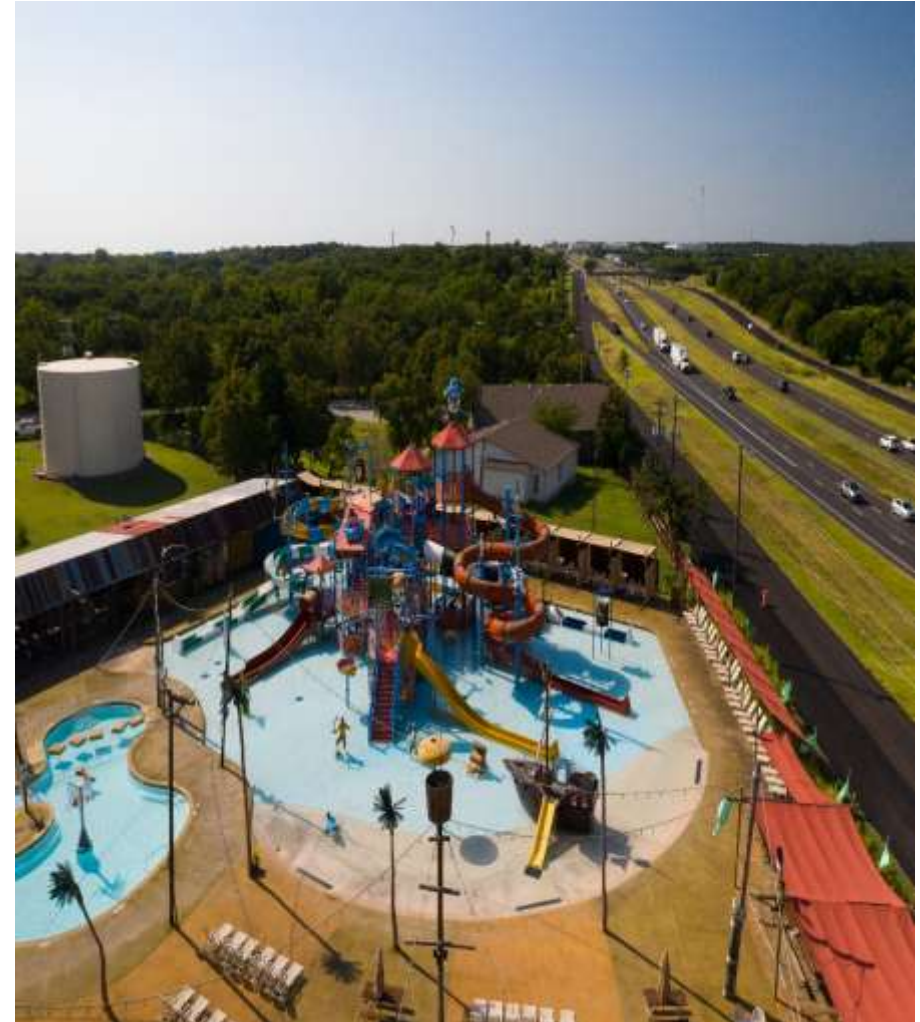
Community Services Committee

February 4, 2026

Summary

Usage of Hot/Mot funds is dictated by Chapter 351 of the Tax Code

- ① **Must directly enhance and promote tourism**
- ② **Every expenditure must clearly fit into one of these categories:**
 1. Visitor Information Center
 2. Furnishing of Facilities and Registration of Visitors
 3. Advertising, Promotional Programs or Activities
 4. Arts Promotion
 5. Historical Restoration and Preservation
 6. Tourist Transportation Systems
- ③ **Must present reasonable evidence that project/event has the ability to increase overnight stays**



Hot Grant Policy Requirements

- 1 Recipients must explore local businesses for products and services when expending HOT funds
- 2 Advertising should target audiences outside a 50 mile radius to increase potential for overnight stays
- 3 All printed materials advertising event should have “in partnership with” or “made possible by” with the City logo
- 4 Grants are paid via reimbursement after a “Post event” form is submitted and receipts are reviewed for eligibility. Grant recipients are then reimbursed for eligible expenses *up to* the awarded amount (EX: Grant amount is \$5,000, but eligible expenses total \$3,995. Recipient would be reimbursed \$3,995).



Current Process/Procedures Overview

HOT/MOT Process announced via press release, City social media & email to previous applicants, and general inquirers throughout the year

Grant application deadline

EDC/City Attorney/Finance review applications for completeness and compliance;
applicants are notified of any corrections /additional info. needed on application(s)

Staff presents all applications and requests to City Council

Council awards grants at their discretion

City Manager includes grant amounts as part of budget presentation to Council

Grant recipients attend a mandatory meeting outlining eligible advertising expenses/requirements in accordance with Chapter 351 of the Tax Code

Latest Policy Revisions

1. **(Added)** Establish hotel promo code to encourage overnight stays for vendors and/or patrons (2019)
2. **(Added)** Allocate 50% of annual revenue for grants yearly as starting point with ability to use additional at Council discretion (2020)
3. **(Removed)** Three (3) year application restriction (2020)
4. **(Added)** Marketing funded with HOT grant should target visitors outside 50-mile radius, who are more likely to stay overnight (2023)
5. **(Removed)** Scoring Rubric (2023)
5. **(Added)** All marketing material should include “Explore Burleson” logo and (when possible) link to the Visit Burleson landing page with local hotel information (2025)



FY 25-26 Grant Recipients

EVENT	APPLICANT	GRANT REQUEST	PREVIOUS AWARD	EST. ATTENDANCE	BUDGET OVERVIEW	LOCATION
Harvest Moon Festival	Local Life	\$8,000	\$6,000 (' 24)	500	Submitted	Standard at Chisenhall
Halloween Pub Crawl	Local Life	\$8,000	\$6,000 (' 24)	400	Submitted	Old Town
St. Paddy's Pub Crawl	Local Life	\$8,000	\$6,000 (' 24)	500	Submitted	Old Town
City on a Hill	Crazy 8 Ministries	\$12,000	\$12,000 (' 24)	4,000	Submitted	BHS
Ocho Loco 5K	Crazy 8 Ministries	\$3,000	N/A-New*	200	Submitted	Chisenhall Sports Complex
North TX Wine Jam	Lost Oak Winery	\$19,998	N/A-New*	850	Submitted	Lost Oak Winery
BTX Brew Fest	Venture Mathis, LLC	\$18,000	\$18,000 (' 24)	5,000	Submitted	Plaza
TREE-Mendous Gala	ATHENA Society	\$5,000	N/A- New*	300	Submitted	Burleson Event Center
Center for ASD Christmas Ball	Center for ASD	\$7,350	N/A- New*	400	Submitted	Jellystone Park
Light Up the Night	Center for ASD	\$7,350	N/A- New*	1,500	Submitted	BRiCK

FY25 Revenue:
\$444,171

Grant Requests Total:
\$96,698



Considerations

Cap Grant Amount

Consider a “cap” on either requested amount by applicants OR a solidified budgeted amount annually to eliminate uncertainty of budget line item for grants.

The current policy allows for Council to approve/allocate up to 50% of the previous years revenue for grants; however, operating expenses have increased since this was adopted. If 50% of revenue is allocated to grants, HOT fund expenditures will exceed annual revenue, eventually resulting in the account to be completely depleted and/or in the negative.

Eliminate Grants

Consider eliminating grants altogether? This would allow for the redirecting of funds to destination marketing rather than targeted marketing for specific events.

NOTE: The current plaza policy restricts plaza reservations to HOT grant recipients and City hosted events only. If grants are eliminated, the Plaza policy will need to be revised accordingly.



FEEDBACK?

The committee's recommendation(s) will
be presented to City Council.