
City Council Regular Meeting

DEPARTMENT: Economic Development
FROM: Alex Philips, Economic Development Director
MEETING: March 23, 2026

SUBJECT:

Consider and take possible action on resolution adopting the hotel/motel tax grant policy. (*Staff Contact: Alex Philips, Economic Development Director*)

SUMMARY:

Staff is seeking direction concerning the current hotel/motel tax grant policy and procedures. In accordance with the current policy, City Council may approve up to 50% of the previous year's revenue in grant requests. Due to increasing operating expenses, staff is recommending to allocate a budgeted amount to award to grants annually. If 50% of revenue remains the threshold for tax grants, HOT fund expenditures will exceed annual revenue, eventually resulting in the account to be completely depleted and/or in the negative.

RECOMMENDATION:

Staff's recommendation is to move forward with the policy revisions as recommended by the Community Services Committee as referenced below.

PRIOR ACTION/INPUT (Council, Boards, Citizens):

This item was presented to the Community Services Committee on February 4, 2026. The committee's recommendations for policy revisions were as follows:

- Allocate a maximum of \$50,000 annually for grant awards
- Require all events receiving a grant award to host event, in its entirety, at a dedicated event space or center including but not limited to: Mayor Vera Calvin Plaza, Lost Oak Winery, Jellystone Park, Standard at Chisenhall or a city owned park.

FISCAL IMPACT:

N/A

STAFF CONTACT:

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