



City of Fredericksburg Hotel Occupancy Tax Funding Orientation

November 5, 2025

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Agenda

- Schedule
- Changes for 2026
- Acceptable Categories
- Evaluation Criteria
- Questions

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2025-2026 Schedule

- 11/05/2025 HOT Orientation
- 11/21/2025 Financial Report Deadline
- 11/21/2025 Application Deadline – 4:30 p.m.
- 1/13/2026 Special City Council Meeting
5:30 p.m. at New City Hall
- 1/20/2026 Funding Award by Council
9:00 a.m. at New City Hall
- End of January Contract Execution

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Changes for 2026

- Events held 1/1/2026 through 12/31/2026.
- Limited to four funding categories.
- Non-Profit organizations only.
- Annual reports are required to qualify for future funding.
 - CVB may provide attendance analytics for events from prior year to provide 2026 award guidance to the City Council.
- Annual reports must reflect no carryover with reset timeline.
- Late applications will not be accepted.
- Council consideration & award dates in January are subject to change.

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- Texas Municipal League states - A city simply needs to remind itself to always follow the “two-part test.” Cities & Organizations frequently remember to meet one element of the test, but often forget the second part.
 - First Part – Heads in Beds
 - Second Part – 9 Categories Allowed by Law (4 considered for award of funding)

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Categories Approved by Council

- Promoting tourism with advertising
- Promoting the arts
- Historical restoration and preservation
- Sporting events – majority of participants must be visitors

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Advertising, Solicitations and Promotions

Advertising and conduct solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity

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Promoting the Arts

The encouragement, promotion, improvement, and application of the arts, including instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture, photography, graphic and craft arts, motion pictures, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms

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Historical Restoration and Preservation

Historical restoration and preservation activities or promotional programs to encourage tourists and delegates to visit preserved historic sites or museums

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Sporting Events

Expenses including promotional expenses, directly related to a sporting event in which most participants are tourists. The event must substantially increase economic activity at hotels within the city or its vicinity

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Factors to be Considered:

- Prior year's impact (based on reporting)
- Lodging/Room block information
- Event attendance by hotel guests
- Proposed marketing plan
- Documentation relating to increase in # of overnight stays

Submission

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Applications should be submitted to the
City of Fredericksburg by

Email – HOT@fbgtx.org

Or

Drop off at the City offices

126 West Main

Attn: HOT Applications

Questions

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For more information regarding HOT Funds
please contact:

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