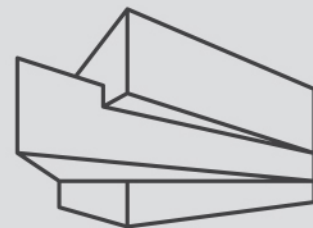


# HERITAGE GRANT

## APPLICATION GUIDE



**Heritage Tourism**

CITY OF AUSTIN  
ECONOMIC  
DEVELOPMENT

## **CITY COUNCIL**

Mayor Steve Adler

District 1: Natasha Harper-Madison

District 2: Mayor Pro Tem Delia Garza

District 3: Council Member Sabino “Pio” Renteria

District 4: Council Member Gregorio “Greg” Casar

District 5: Council Member Ann Kitchen

District 6: Council Member Jimmy Flannigan

District 7: Council Member Leslie Pool

District 8: Council Member Paige Ellis

District 9: Council Member Kathie Tovo

District 10: Council Member Alison Alter

## **CITY ADMINISTRATION**

Spencer Cronk, City Manager

Elaine Hart, Deputy City Manager

Rey Arellano, Assistant City Manager

Rodney Gonzales, Assistant City Manager

Christopher J. Shorter, Assistant City Manager

Gina Fiandaca, Assistant City Manager



# Table of Contents

HERITAGE GRANT TIMELINE .....	3
Introduction .....	4
Section 1. What is the Historic Preservation Fund?.....	5
Section 2. Who Can Get a Heritage Grant?.....	6
2.1 Historic properties eligible for grants.....	6
2.2 Projects eligible for grants .....	6
Heritage Capital Projects .....	6
Site-Specific Heritage Tourism Projects .....	7
2.3 Minimum requirements .....	7
Section 3. How Do Heritage Grants Work? .....	9
3.1 Amount .....	9
3.2 Reimbursement .....	9
3.3 Repayment .....	9
3.4 Tax Liability .....	9
Section 4. Who Decides What Projects Get Funded? .....	10
Section 5. How Do I Apply? .....	11
5.1 Scoring Criteria, Fall 2019 .....	11
Section 6. What Happens After I Get a Grant? .....	13
6.1 Marketing .....	14
6.2 Reports .....	14
6.3 Insurance.....	14
Section 7. Required Attachments Checklist .....	17
Appendix I. Background .....	20
Appendix II. Definitions.....	20



## HERITAGE GRANT TIMELINE

July 22

- Heritage Grant Application Launch

July 22

- Historic Landmark Commission  
Briefing on Heritage Grant Application

July 25

- Heritage Grant Information Session, 10:30a-12p  
*Location: City Hall Board and Commission, 301 W 2nd St;  
Session recording will be posted to [www.austintexas.gov/heritage-grants](http://www.austintexas.gov/heritage-grants)*

Aug 1

- Heritage Grant Information Session, 6-7:30p  
*Location: 5202 E Ben White Blvd, Ste. 400, Bluebonnet Training Room*

Aug 12

- Tourism Commission  
Briefing on Heritage Grant Application

Aug 16

- Deadline for applications.  
*Completed grant applications must be received no later than 11:59 pm*

Aug 23

- Heritage Grant Review Panel

Aug 26

- Historic Landmark Commission  
Review Recommendations for grant awards

Sept 9

- Tourism Commission  
Review Recommendations for grant awards

Sept 19

- Austin City Council  
*Request Budget Approval of Historic Preservation Grants / Projects*

Sept 25

- Audit and Finance Committee  
Briefing on Heritage Grant Application

Oct 30

- FY 2020 Heritage Grant Project Applicants Notified  
of Final Grant Awards



## Introduction

Welcome to the City of Austin's Heritage Grant Application Guide. These grants are funded with Hotel Occupancy Taxes. The grants must therefore comply with the requirements of Texas Tax Code 351.101. The state law requires the funding to be used to promote tourism and the convention and hotel industry (sometimes called the "heads in beds" test). It also requires the grants to be awarded to projects that are either in the vicinity of the convention center, or in a location within the city reasonably likely to be visited by tourists and convention delegates.

Historic preservation is a successful economic development tool that creates jobs, spurs new business opportunities, and strengthens local economies. The City of Austin's Heritage Tourism Division, within the Economic Development Department (EDD), manages heritage tourism programs aimed to derive economic, business and community benefits associated with honoring and preserving Austin as a place of personal heritage. We aim to support historic community assets that promote tourism and Austin's hospitality industry by helping create authentic, memorable visitor experiences.

The City of Austin offers Heritage Grants through a competitive online application process. Please read the guidelines prior to beginning the application.

All applicants are encouraged to attend a Heritage Grant Information Session to learn more about the application process. The first Information Session will be recorded and added to [www.austintexas.gov/heritage-grants](http://www.austintexas.gov/heritage-grants).

### For general inquiries or assistance please contact:

**Melissa Alvarado, MPA**

Heritage Tourism Division Manager

City of Austin Economic Development Department

[www.austintexas.gov/heritage-tourism](http://www.austintexas.gov/heritage-tourism)

[melissa.alvarado@austintexas.gov](mailto:melissa.alvarado@austintexas.gov) | 5202 E. Ben White, Suite 400 | 512-974-7870



## Section 1. What is the Historic Preservation Fund?

Per the current city code (Section 11-2-7), 15% of the City's 7% of the hotel occupancy tax collected by the City of Austin, is allocated to the Historic Preservation Fund to support historic preservation and restoration projects and activities that attract tourists and convention delegates to the city. This may include the preservation, restoration, or rehabilitation of historic buildings, structures, objects, monuments, sites, or districts; and programming and marketing to encourage tourists and convention delegates to visit historic sites or museums in Austin.

In accordance with state statute, any expenditure of hotel occupancy taxes must meet two criteria.

1. The expenditure must directly enhance and promote tourism and the convention and hotel industry; and.
2. It must fit into one of the state statutorily approved functions. For historic preservation and restoration projects, the project must be:
  - a. At, or in the immediate vicinity of, convention center facilities or visitor information centers; or
  - b. Located in the areas that are reasonably likely to be frequented by tourists and convention delegates.

**If the project does not meet both requirements, it is not an allowable expenditure of hotel occupancy tax funds under the Historic Preservation Fund.**



## Section 2. Who Can Get a Heritage Grant?

Heritage Grants are available to government, nonprofit, and commercial entities that own or lease historic properties in the authorized locations; or that develop planning, educational, and marketing projects focused on historic properties and districts that meet the requirements of state law.

### 2.1 Historic properties eligible for grants

- City of Austin historic landmarks;
- Properties individually listed in the National Register of Historic Places;
- Recorded Texas Historic Landmarks;
- State Antiquities Landmarks;
- Properties listed as contributing to a historic district (local or National Register); and
- Properties determined to be eligible for historic designation. If the property is not designated at the time of the application, the applicant must provide a determination of eligibility from the Texas Historical Commission or National Park Service with the application. The property must be historically designated by the time the proposed project is completed and final grant funds are disbursed.

The grounds must be accessible to the general public for the purposes of viewing and appreciating the historic value of the property, with reasonable visitation hours to be set by the applicant in coordination with the City. The applicant shall not place fencing in front of, or near, the property that would obscure or prevent visual observation of the building from the public right-of-way.

Leased or owned historic properties must be visited by tourists, hotel guests, and convention attendees and must remain open to the public for at least ten years from the time the project is completed. If the property is not owned by the applicant, the applicant must obtain a formal letter of support from the owner and document the authority to make the requested improvements that would be funded by the grant.

### 2.2 Projects eligible for grants

Two types of projects are eligible for Heritage Grants: 1) Heritage Capital Projects and 2) Site-Specific Heritage Tourism Projects. Grant awards for planning, education, and marketing projects are expected to comprise of no more than 15% of total available allocation.

#### Heritage Capital Projects

Heritage Capital Projects may include:

- Rehabilitation or restoration of the primary building envelope, accessory structures, and grounds (e.g., historic cupolas, carriage houses, pavilions, or other outbuildings, historic gates and fencing, pools and walkways).



Heritage Capital Projects must:

- Meet the Secretary of the Interior's Standards for the Treatment of Historic Properties. For more in-depth information on the Standards, visit [NPS Treatment Guidelines 2017](#).

### Site-Specific Heritage Tourism Projects

Planning, education, and marketing projects may include development and production of:

- Marketing material;
- Educational material;
- Historic designation applications;
- Interpretive kiosks;
- Signage.

Site-Specific Heritage Tourism Projects - Planning, education, and marketing projects must:

- Increase tourism and/or benefit tourists, hotel guests, and convention attendees;
- Include the significance of the historic place, including but not limited to designation status;
- Follow best practices for the applicable project type; and
- Be publicly available for 5 years.

## 2.3 Minimum requirements

The applicant must identify and provide documentation on current levels of tourism (this documentation provides the "tourism justification" and demonstrates how the project will promote tourism in Austin), plus the following:

- a. How the project will increase tourism and/or benefit tourists, hotel guests, and convention attendees and be tied to historic preservation;
- b. How the project has the potential to be relevant to tourists or increase tourism, including strategies for publicity and marketing efforts. Include heritage tourism marketing plans, promotional materials used to advertise the historic property, and distribution locations (e.g., hotels, motels, Convention Center, Airport, out of town locations); and
- c. Measurable evaluation criteria to determine the effectiveness of the tourism marketing strategy.

Applicants who provide matching resources (in the form of cash or donated services and items), to match at least 50% of the Heritage Grant, may be given preference in grant application evaluations. Cost of work that does not meet Heritage Grant guidelines cannot be used as cash match. Other HOT-funded grants cannot apply to cash match.

Prior to the commencement of work or project, applicants and the City of Austin must execute a Preservation Agreement setting out terms and conditions of the grant. The City will not execute a Preservation Agreement without an approved Certificate of Appropriateness, if required. For more information, visit the Historic Preservation Office website: [www.austintexas.gov/departments/historic-preservation](http://www.austintexas.gov/departments/historic-preservation).





All applicants must register with City of Austin Vendor Registration. Please visit ([AustinTexas.gov/financeonline/vendor\\_connection](https://austintexas.gov/financeonline/vendor_connection)) to register or for more information. If you have questions about registration, contact the Vendor Registration Office at (512) 974-2018.

Minority Business Enterprise/Women's Business Enterprise (MBE/WBE) program participation is encouraged, but not required.

**Modifications to the above criteria may be made on a case-by-case basis, but only in accordance with state law and city ordinance.**



## Section 3. How Do Heritage Grants Work?

### 3.1 Amount

The maximum amount of a grant award shall not exceed \$250,000.

### 3.2 Reimbursement

Grants are reimbursed after the project is completed. Payment of the grant will be made after the Certificate of Occupancy (if required) is issued by the City of Austin. Payment will be withheld if the work fails to meet the Preservation Agreement or mutually agreed alternate requirements. Before applying, make sure you have sufficient financial resources to complete the project prior to reimbursement.

Installment payments may be approved on a case-by-case basis to increase equity for smaller organizations and/or larger projects, dependent upon project size and phasing. Installment payments will be made at mutually agreed upon points and must be associated with clear deliverables. A final percentage will be provided upon satisfactory project completion, with proof all project-related obligations have been paid.

### 3.3 Repayment

Applicants must repay all grant funds received if any of the following circumstances occur within three years of completion of the work set out in the Preservation Agreement:

- a. Applicant fails to maintain the property in accordance with the City of Austin Building Codes and tax exemption criteria (including hours available for public viewing, and documentation that the facilities are being visited by tourists and convention delegates);
- b. Historic designation is removed;
- c. The restoration or rehabilitation is not completed in accordance with the Preservation Agreement (in case of installment payments or phased projects); or
- d. Applicant fails to provide proof of required insurance on an annual basis.

If any of these circumstances occur, the City of Austin may file a lien against the property to secure the repayment of funds as set out in Section 5.3 to the extent allowed by the law.

### 3.4 Tax Liability

The receipt of grant funds by a commercial entity may result in a tax liability in the year of benefit. It is the responsibility of the recipient to consult with a tax advisor to understand how the grant may impact taxes.



## Section 4. Who Decides What Projects Get Funded?

1. After the application deadline, interdepartmental staff will evaluate applications to ensure that each proposed project meets grant eligibility and criteria.
2. Applications that meet the criteria will be evaluated and scored by a Heritage Grant Review Panel. A majority vote of a quorum of the Heritage Grant Review Panel is required to recommend a Heritage Grant award.
3. The Historic Landmark Commission and Tourism Commission will review recommended grant awards and make a recommendation to City Council – the City Council will approve funding in excess of the City Manager’s authority under the City Charter; the City Manager will approve funding within the Manager’s authority.
4. A summary report of approved grants, within the City Manager’s signature authority (at or below \$61,500 for Fiscal Year 2019-2020), will be submitted to the City Manager’s Office for final review and the information will be made available to Council and to the public on the City’s website.

The City of Austin Law Department will review to confirm documentation that the use fits within the approved uses in the statute.

Prior to commencement of work, applicants and the City of Austin shall execute a Preservation Agreement setting out terms and conditions of the grant. The Historic Landmark Commission must approve a Certificate of Appropriateness for the project prior to execution of the Preservation Agreement.

Program fund availability is subject to Council approving and appropriating funding on an annual basis. The Economic Development Department reserves the right to fund projects at a lower amount than requested, and the right to deny applications that do not meet the Texas Tax Code or Austin City Code.

This document outlines the framework of guidelines informed by Austin Strategic Direction 2023, Imagine Austin Comprehensive Plan, and policies established by the Austin City Council, within which the Heritage Grant Program operations are carried out. Heritage Grant Program guidelines undergo an annual review, with any necessary revisions made prior to the next application deadline. Guideline changes required as a result of federal, state, or local requirements may be implemented immediately by the Heritage Tourism Manager.



## Section 5. How Do I Apply?

Please ensure that all required portions are completed and required attachments included. Incomplete applications will not be considered. The online application serves to create a streamlined and user-friendly experience. For questions or technical assistance, please contact Melissa Alvarado at [Melissa.alvarado@austintexas.gov](mailto:Melissa.alvarado@austintexas.gov).

### 5.1 Scoring Criteria, Fall 2019

#### Minimum requirements:

- Must promote tourism and be located at or near the convention center or in an area reasonably likely to be visited by tourists and convention delegates;
- Must be a qualifying historic preservation or restoration project; and
- Applicant must be in good standing with all City contracts and past Heritage Grant Program.

SCORING CRITERIA	EXPLANATION	MAX SCORE
<b>Tourism Impact</b>	The applicant should explain: 1) Current levels of tourism and how the project creates a heritage impact in the community or region; 2) How the project will enhance heritage tourism experience and increase community participation/accessibility to a larger number of users, tourists, hotel guests or convention attendees; 3) Describe the marketing plan. Who is the target audience and how will you reach them? How does the proposed project or activity promote tourism and the hotel and convention industry?; and 4) Describe how data will be collected regarding tourist attendance/participation. Give details on how the applicant will measure the success of the project.	<b>30</b>
<b>Preservation Impact:</b> <b>Heritage Capital Projects</b>	The applicant should: 1) Describe the historic, cultural, community, and/or architectural significance of the property. Include any threats to property or if the building is in an underrepresented area or serves an underrepresented population; 2) Describe the project to be undertaken, including an overview and the specific work proposed for funding; 3) Explain how the project meets the Secretary of the Interior's Standards for Treatment of Historic Properties, if applicable, or best practices for the proposed project type; 4) Describe the current and anticipated future use of the property, if applicable; <b>-OR-</b>	<b>30</b>
<b>Preservation Impact:</b> <b>Site-Specific Heritage Tourism Project</b>	The applicant should: 1) Describe the historic, cultural, community, and/or architectural significance of the property. Include any threats to property or if the building is in an underrepresented area or serves an underrepresented	



	<p>population;</p> <p>2) Describe how the project develops site-based heritage tourism;</p> <p>3) Describe how the project promotes or develops planning, educational programs or materials for tourists;</p> <p>4) Describe how the project demonstrates educational or cultural value.</p>	
<b>Project Budget</b>	<p>The applicant should:</p> <p>1) Provide project cost breakdown and priorities;</p> <p>2) Specify the major and prioritized components of the project with associated costs;</p> <p>3) Provide proof of other sources of funding, if applicable.</p>	<b>15</b>
<b>Capacity and Qualifications</b>	<p>The applicant should:</p> <p>Describe the qualifications, track record and ability of the applicant and professionals (including sub-contractors, if applicable) composing the project team to successfully complete the project. Provide project team experience in preservation, planning, educational, tourism, marketing and/or grants management. Full resumes are not required. Additional bids may be requested.</p>	<b>10</b>
<b>Project Schedule</b>	<p>The applicant should:</p> <p>1) Demonstrate how the project schedule and timeline. (Anticipated completion: Site-Specific Heritage Tourism Projects = 12 months; Capital Project no more than 2 years),</p> <p>2) If the capital project is phased, provide a phasing schedule and funding required for each phase. Applicants will be scored on clarity and whether the timeline is reasonable for the proposed work.</p>	<b>5</b>
<b>Equity / New Applicant: Heritage Capital Projects</b>	<p>The applicant has not received previous Heritage Tourism Grant funding in the past 3 years. This is intended to facilitate broader distribution of grant funds; <b>-OR-</b></p>	<b>5</b>
<b>Equity: Site-Specific Heritage Tourism Project</b>	<p>Applicant demonstrates a commitment to equity, inclusion and diversity through programming, collaboration, materials, or other means. This is intended to facilitate broader, diverse distribution of grant funds.</p>	
<b>Coordination with Essential Partners</b>	<p>If the project requires government, organizational, or community involvement, explain how those partners have been engaged. Include information regarding how nearby hotels or relevant conventions have been included in the analysis of the project. Detail efforts to engage diverse communities. Upload documentation of existing or planned coordination. If no external partners are required, please indicate N/A. Please connect with Parks and Recreation Staff prior to submitting an application for projects on parkland.</p>	<b>5</b>
		<b>100</b>



## Section 6. What Happens After I Get a Grant?

1. Leased or owned historic properties must be visited by tourists, hotel guests, and convention attendees and must remain open to the public for at least ten years from the time the project is complete.
2. Planning, education, and marketing materials must remain publicly available for at least five years from the time the project is complete.
3. Applicant shall comply with all permitting requirements of the Land Development Code, if applicable.
4. Projects must be completed within one year (for Site-Specific Heritage Tourism Project) or two years (for Heritage Capital Projects). Heritage Capital Projects taking longer than 2 years must be granted a written extension from program staff.
5. The applicant must submit a complete application with all supporting documentation and comply with the [City of Austin Equal Employment Opportunity Guidelines](#).
6. Notification requirements within ten years of project completion: In all cases of transfer of title, the applicant must notify the City of Austin Economic Development Department Heritage Tourism Division. The applicant must notify the City of Austin Economic Development Department Heritage Tourism Division whenever legal action is pending which may result in foreclosure on the historic property.
7. Changes in Use: If use of the historic property changes from that existing or proposed at the time of funding within ten years of project completion, the applicant must notify the City of Austin Economic Development Department Heritage Tourism Division.
8. Visitation Records: Applicant must provide visitation records (number of guests, including numbers of guests from outside of the Austin Metropolitan Statistical Area) to the Heritage Tourism Division for three years after completion of the project.
9. Work on approved projects must commence within the agreed-upon time frame outlined in the Preservation Agreement. Projects that are not completed within the agreed-upon time frame risk loss of grant funding.
10. Contingent upon the scope of the project, a preservation architect may be retained to represent the City of Austin to monitor the progress of the work. The need for representation will be decided on a case-by-case basis by Heritage Tourism Division staff. This cost would be incurred by the applicant separate and apart from the grant funds.
11. The City will conduct monitoring activities throughout the project and compliance terms as required. These activities may include a site visit to verify compliance with contract requirements.



## 6.1 Marketing

Awardees are required to acknowledge the City's support in all appropriate materials and media by placing the Heritage Tourism Division logo and Publicity Statement on all marketing materials. Awardees are required to provide information about the project to Visit Austin and the Economic Development Department to aid in marketing the projects to tourists and convention delegates.

## 6.2 Reports

A final report will be required annually within thirty days of the project or programming cessation which shall be no later than October 30 of any given fiscal year.

The report will require proof of award and match monies expended, a variety of demographics data, proof that the project was marketed to tourists and convention delegates, proof of visits by tourists and convention delegates, Heritage Grant was executed as well as the use of the required Publicity Statement and logo. Final reports for the current fiscal year must be completed online in the Final Report tab of ZoomGrants™.

## 6.3 Insurance

Depending on the funded activities, Heritage Grant applicants are required to carry insurance as outlined below and must provide the Heritage Tourism Division with a current Certificate of Insurance prior to entering into a contract. Insurance costs should be included in the applicant budget, and as such, should be researched prior to submitting the application. Those costs are an allowable budgetary expense if awarded funding. More specific insurance requirements will be included in the pre-contract materials if you are awarded funding.

The contractor shall carry insurance in one or all of the following types and amounts if designated as a requirement by the Risk Management Department of the City of Austin for the duration of the contract and furnish certificates of insurance along with copies of all policy endorsements as evidence thereof:

The cost of insurance should be researched prior to the submission of the application and included in the budgetary monetary figures.

**Section 1** Contractor, during the term of the Agreement, shall carry insurance in the following types and amounts:

- 1.1 Commercial General Liability Insurance with a minimum combined single limit of \$500,000 per occurrence for Coverage's A (bodily injury and property damage) & B (personal and advertising injury). The policy shall contain the following provisions and endorsements in favor of the City:
  - 1.1.1 Blanket contractual and coverage for liability assumed under this contract;
  - 1.1.2 Products and completed operations coverage;
  - 1.1.3 Independent contractors coverage;
  - 1.1.4 Additional Insured endorsement (Form CG 2010), or equivalent coverage;



- 1.1.5 Waiver of Subrogation endorsement (Form CG 2404), or equivalent coverage;  
and
- 1.1.6 30-Day Notice of Cancellation endorsement (Form CG 0205), or equivalent coverage.

**Section 2** Contractor shall cause any contractor or subcontractor, constructing improvements to the Premises, from the Date until issuance of the Completion Notice by the City of Austin with respect to the Premises, to carry insurance in the following types and amounts:

- 2.1 Employers Liability and Workers' Compensation Insurance. Minimum policy limits for Employers' Liability shall be \$100,000 bodily injury each accident, \$500,000 bodily injury by disease policy limit and \$100,000 bodily injury by disease each employee. Workers' Compensation coverage shall be consistent with statutory benefits described in the Texas Workers' Compensation Act, section 401. Coverage shall apply to the State of Texas. The policy shall contain the following endorsements in favor of the City:
  - 2.1.1 Waiver of Subrogation (Form WC 420304), or equivalent coverage, and;
  - 2.1.2 30-Day Notice of Cancellation endorsement (Form WC 420601), or equivalent coverage.
- 2.2 Commercial General Liability Coverage with a minimum bodily injury and property damage per occurrence limit of \$500,000 for coverages A & B. The policy shall contain the following provisions and endorsements in favor of the City:
  - 2.2.1 Blanket Contractual liability coverage for liability assumed under this contract;
  - 2.2.2 Products and completed operations coverage;
  - 2.2.3 Independent contractors coverage;
  - 2.2.4 Personal and Advertising injury coverage;
  - 2.2.5 Additional Insured endorsement (Form CG 2010), or equivalent coverage;
  - 2.2.6 Waiver of Subrogation endorsement (Form CG 2404), or equivalent coverage;  
and
  - 2.2.7 30-Day Notice of Cancellation endorsement (Form CG 0205), or equivalent coverage.
- 2.3 Business Automobile Liability Insurance for all owned, non-owned and hired vehicles with a limit of \$500,000 per occurrence for bodily injury and property damage liability. The policy shall contain the following endorsements in favor of the City:
  - 2.3.1 Additional Insured endorsement (Form CA 2048), or equivalent coverage;
  - 2.3.2 Waiver of Subrogation endorsement (Form CA 0444), or equivalent coverage;  
and
  - 2.3.3 30-Day Notice of Cancellation endorsement (Form CA 0244), or equivalent coverage.
- 2.4 Builders' Risk Insurance on an all risk physical loss form in the amount of the maximum contractor amount for any improvements made to the Premises. Coverage shall commence upon the date any work with respect to such improvements begins and shall continue until the work is complete and a Completion Notice is issued with respect to the improvements. The City shall be a mortgagee/loss payee on the policy. If off-site





storage is permitted with respect to the work, coverage shall include transit and storage in an amount sufficient to protect any property being transported or stored.

- 2.5 In the event the contractor will serve liquor to individuals for entertainment purposes, the Contractor shall carry **Host Liquor Liability Coverage** of \$500,000 per claim. In the event the Contractor will sell liquor, the Contractor shall carry **Liquor Liability or Dram Shop Act Liability Coverage** of \$500,000 per claim.

**NOTE: More specific insurance requirements will be included in the pre-contract materials if you are awarded funding.**



## Section 7. Required Attachments Checklist

☐ **Tourism Justification**

Include substantiation of contribution to the tourism industry in Austin (i.e., annual summary of out of town visitation, publicity and marketing strategy and efforts, copies of promotional material, list of promotional activities, hours of operations, tours provided, etc.), and an explanation of how the project will enhance heritage tourism and includes a clear strategy for measurable evaluation criteria to determine the effectiveness of the tourism marketing strategy.

☐ **Historic Documentation**

Historic photograph(s), if available, or other documentation as appropriate to clearly explain the project (especially where restoration, alterations, changes, and/or improvements are planned

☐ **Historic Designation Determination of Eligibility, if Applicable**

If the property is not designated at the time of application, provide a Determination of Eligibility from the Texas Historical Commission or National Park Service.

☐ **Business Plan**

☐ **Capacity and Qualifications**

Describe the qualifications, track record and ability of the applicant and professionals composing the project team (including sub-contractors, if applicable) composing the project team to successfully complete the project. Provide project team experience in preservation, planning, educational, tourism, marketing and/or grants management, if applicable. Full resumes are not required.

☐ **Contractor Bids [Heritage Capital Projects Only]**

Contractor and/or architectural bids for the proposed project.

☐ **IRS Designation Letter, if applicable**

Confirms tax-exempt status

☐ **Marketing Plan [Site-Specific Heritage Tourism Projects Only]**

Describe the significance of the property and how the project develops site-based heritage tourism and demonstrates educational or cultural value. Explain how the marketing plan supports the project for which funding is being requested. The marketing plan should include the prioritized tasks and estimated expense to each to support the total project.

☐ **Plans and Specifications of Proposed Work [Heritage Capital Projects Only]**

Plans and specifications for project describing the work proposed in detail.

☐ **Project Schedule**

Capital project phasing schedule and amount of funding required for each phase, if applicable. Demonstrates how the project will be completed within a 2-year time period.

☐ **Proof of Ownership / Lease Authorization [Heritage Capital Projects Only]**

Copy of the Deed or Will (if applicant is the owner) or documentation showing authorization from owner and any existing lease between owner and applicant.



☐ **Signed Assurances Document**

☐ **Zoning Verification Letter, if applicable**

Letter issued by the City of Austin Development Services Department



## Appendix I. Background

Until late 2018, Visit Austin contracted with the City of Austin to market the historical assets of the City through administering the Heritage Grants Program. Effective FY 2020, the City of Austin Economic Development Department Heritage Tourism Division now administers the Heritage Grant Program.

On June 30, 2017, the Visitor Impact Task Force Final Report to Austin City Council provided recommendations relevant to Resolution No. 20160118-075 to study the impact of tourism, review of State and National Best Practices for tourism, and Review of Texas Tax Code Chapter 351 and allowable uses of Hotel Occupancy Taxes under the Tax Code.

On August 31, 2017, Council approved Resolution 20170831-060 directing the City Manager to take necessary actions to allocate hotel occupancy taxes and other revenues to projects that promote tourism and the convention industry, in accordance with council directives.

On September 13, 2017, Council approved Ordinance 20170913-001, including an allocation of Hotel Occupancy Tax revenue from the Hotel Occupancy Tax Fund, to the newly established Historic Preservation Fund.

On December 14, 2017, Council approved Ordinance 20171214-005 amending Section 11-2-7 of the City Code to establish the allocation of Hotel Occupancy Tax for historic preservation as directed by Council during the City's budget adoption process.

On June 6, 2018, the Heritage Grant Working Group developed a report with recommendations to Austin City Council for the Heritage Grant Program and the newly established Historical Preservation Fund. In addition to the parameters outlined in Chapter 351, the group considered relevant priorities from Austin Strategic Direction 2023, Imagine Austin Comprehensive Plan and the Visit Austin Marketing Plan.

On October 4, 2018, Council adopted Resolution 20181004-033 to allocate 15% of the hotel occupancy taxes to fund operations / maintenance of City of Austin historic facilities and sites in accordance with Texas Tax Code Section 351 and fund other allowable capital and acquisition costs for historical restoration and preservation projects and activities. Council also directed the City Manager to initiate the following recommendations of the Visitor Impact Task Force and the Heritage Grant Working Group related to the HPF: 1) Expand the eligible applicants for heritage grants per the recommendations of the Visitor Impact Task Force and the Heritage Grant Working Group; 2) Expand eligible projects for heritage grants to include capital projects and planning, educational, and marketing projects; 3) Increase the \$59,000 cap on individual heritage grants awards to \$250,000, with staff discretion to recommend to City Council grant requests above this threshold.

In FY 2019, the Economic Development Department was authorized to create a Heritage Tourism Division that would administer the Heritage Grant Fund promoting tourism and the convention industry through preservation, restoration, and rehabilitation of historic properties, buildings, structures, objects, monuments, sites or districts.

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## Appendix II. Definitions

**Heritage tourism:** The National Trust for Historic Preservation defines heritage tourists as those who travel to experience the places, artifacts and activities that authentically represent the stories and people of the past and present.

**Marketing:** All costs for marketing, publicity, and/or promotion specifically identified with the activity. Include costs directly related to promotion, publicity, or advertising.

**Match:** Revenue that is donated, such as grants and donor contributions.

**MBE/WBE:** Minority Owned Business Enterprise & Women-Owned Business Enterprise

**New applicant:** An organization or entity that has not received funding through the Heritage Grant program within the last 3 years. This is intended to encourage broader distribution of grant funds. It will not prevent an applicant from receiving another grant within 3 years.

**Non-profit organization:** An organization with tax-exempt status that is certified by the Internal Revenue Service (IRS) as a 501(c)(3) which ensures no part of net earnings benefits a private individual.

**Preservation:** Focuses on the maintenance and repair of existing historic materials and retention of a property's form as it has evolved over time.

**Rehabilitation:** Acknowledges the need to alter or add to a historic property to meet continuing or changing uses while retaining the property's historic character.

**Reconstruction:** Re-creates vanished or non-surviving portions of a property for interpretive purposes.

**Restoration:** Depicts a property at a particular period of time in its history, while removing evidence of other periods.

**Sponsored project:** The individual or group that is under the umbrella of the 501(c)(3).

**The Secretary of the Interior's Standards for the Treatment of Historic Properties:** Guidelines for preserving, rehabilitating, restoring and reconstructing historic buildings. For more information visit <https://www.nps.gov/tps/standards/treatment-guidelines-2017.pdf>

**Tourist:** An individual who travels from the individual's residence to a different municipality, country, state, or country for pleasure, recreation, education or culture (Texas State Tax Code Chapter 352, p. 1).

**Visitor:** An individual traveler that stays overnight away from home in paid or unpaid accommodations, or a day visitor that travels at least fifty miles one-way from home on a non-routine trip.

