



City of San Marcos

City Council Work Session

November 18, 2025



Heritage Tourism and Preservation Grant

Receive a presentation from the Destination Services Team regarding the creation of the Heritage Tourism and Preservation Grant, and provide direction to the City Manager.

Program Overview



- Grants are awarded annually for heritage tourism and preservation projects that promote or enhance our local history and heritage in San Marcos. Funding is dependent upon eligibility and the availability of funds.
- Projects must also directly enhance and promote tourism and the hotel and convention industry in San Marcos to be eligible for Hotel Occupancy Tax funding.



About the Grant

The Heritage Tourism and Preservation Grant is for **capital, planning, experiential, or marketing** projects at historically designated sites that market the site's history to engage new audiences and tourists, and for events or projects promoting San Marcos' history and heritage to the public and tourists.



About the Grant

- The City of San Marcos Arts and Heritage Division manages the grant program along with the Arts, Culture, and Events grants.
- Funding for eligible projects is made possible through Hotel Occupancy Tax (HOT).
- Awardees and amounts are decided by members of the Heritage Tourism Panel (City staff from our administrative, historic preservation, facilities, and tourism departments).



Program Funding

- Award may only pay for **eligible project expenses**.
- All budgeted expenses must be **real cost**.
- In-kind donation value of goods and services is not eligible to be included in the expense budget.
- **Funding Limits**
 - Capital - maximum of 80%, up to \$100,000
 - Planning - maximum of 80%, up to \$30,000
 - Marketing - maximum of 50%, up to \$10,000
 - Experiential - maximum of 50%, up to \$20,000

Grant Categories - Capital



- Contractual preservation agreements to **restore, preserve, and promote tourism-serving historic** designated sites and structures.
- Project site must be of **local historic or heritage significance**, have a **historic designation**, or be **eligible** for historic designation.
- Maximum of 80%, up to \$100,000

Grant Categories - Capital



Capital Project types may include:

- American Disabilities Act Access
- Awning Restoration / Repair
- Door / Window / Screen / Trim Repair
- Exterior Light Fixtures
- Facade Elements / Exterior Walls
- Heating, Ventilation, and Air Conditioning
- Pier & Beam / Foundation Stabilization
- Roof Repair
- Signs / Installation (on private property and must comply with local historic sign standards, new neon signs ineligible)

Grant Categories - Planning



- To secure **property-specific professional planning** expertise in areas such as preservation, architecture, engineering plans, historic designation nominations for tourism-serving sites or potential historic districts.
- Must be of **local historic or heritage significance, historically designated or eligible** for historic designation.
- Maximum of 80%, up to \$30,000

Grant Categories - Planning



Planning Project types include:

- Architectural Design
- Heritage Tourism Assessment
- Historic Designation Nomination
- Historic Structures Report
- Interpretive Plan

Grant Categories – Experiential



- Projects that **actively create experiences for tourists and residents to interact with historic places, events, or activities** and the stories that represent historic sites or local heritage.
- 15% of the grant award must be used for **paid advertising** of the experience outside a 50-mile radius of the San Marcos city limits.
- Maximum of 50%, up to \$20,000

Grant Categories – Experiential



- **Experiential Project Types include:**
 - **Conferences or workshops** marketed regionally, nationally, or internationally
 - **Events, Festivals, or Programs** at a Historic site, Historic District, area of local heritage significance, or event space*
 - Heritage, Historic, or Interpretive **History-Focused Exhibitions or Kiosks** (eligible with owner authorization)
 - Historic, Heritage, Legacy, Cultural, and Natural Resource **Tour Development**. Proposals must include an in-person component
 - **Historic Marker** (must indicate eligibility in advance)

Grant Categories - Marketing



- Projects that actively **connect and market heritage** and **encourage** residents and tourists **to connect and engage** with historic sites and heritage stories.
- Must occur at a historically designated site, location of local heritage significance, event location, and **serve to expand audience and tourism participation.**
- 15% of the grant award must be used for **paid advertising or distribution** outside a 50-mile radius of the San Marcos city limits.
- Maximum of 50%, up to \$10,000

Grant Categories - Marketing



- **Marketing Project types include:**
 - Heritage Tourism: Destination **Videos, Social Media, Advertising, or Marketing Campaigns**. Videos distribution channels must include a paid marketing campaign component in addition to production costs.
 - Marketing Content, Asset Development, and Distribution: **Photography, Brochures, Maps, Guides, Rack Cards, Travel/Tour Itineraries, and Translation** (print or digital)
 - **Website Enhancements** (must be associated with an existing website and feature site history; operational costs are ineligible)



Applicant Eligibility

- **Eligible Applicants**
 - For-profit Organizations
 - Non-profit Organizations
 - Governmental Organization – City of San Marcos
- **Ineligible Applicants** (complete list in packet)
 - Properties not open to the public
 - Owner-occupied (residential) stewards or properties
 - Currently receiving or are applying for funding from another Hotel Occupancy Tax-funded City within the contract period
 - Unable to demonstrate at least two years of operations in SMTX
 - Schools/universities

Eligible Projects



- **Capital and planning project at a historic designated or eligible site** while promoting heritage tourism as its primary purpose
- Properties **designated as a historic landmark** at the local, state, or federal level
- Listed as **historically contributing** to a historic district
- Properties that hold **historical significance at the local level**
- **Grounds must be accessible**, open a minimum of 10 hours per week, and marketed to tourists
- Non-Capital projects and events that are preservation-related or heritage-focused and are actively promoted to tourists, hotel guests, and convention delegates to expand audiences and tourism

Ineligible Projects



- Activities that occur outside the city limits of San Marcos
- Acquisition of property
- Audits unless required by funding agreement
- Capital projects that do not meet the Secretary of the Interior's Standards or local Historic District Design Standards.
- Historic properties with fencing that would obscure or prevent visual observation of the building from the public right-of-way
- New building construction or expansion
- Owner-occupied properties or historic residential properties
- Projects or events that occurred before the grant award year
- Projects or events that do not directly promote local heritage

Budget Requirements



To ensure the applicant demonstrates the ability to steward public resources:

- Project plan and budget must show appropriate preparation to complete the proposed project
- Provide full detailed budget for project
- Provide revenue sources for funding the remaining portion of project outside of the grant request

Workshops



- Staff will present several workshops during the grant cycle that detail eligibility, requirements, restrictions, and application instructions.
- Attendance to at least one workshop is mandatory to be eligible for grants.
- Dates, times and locations of the workshops will be posted on the SMTX Arts website.



Application Review

- **Step One – Review by Heritage staff to verify all documents and information is complete**
- **Step Two – Scoring** *(Must have a minimum score of 60% or better to qualify)*
 - Tourism And Hotel Impact: 10
 - Community Impact: 10
 - Historic Or Heritage Significance: 10
 - Demand For Project: 10
 - Ability To Accomplish: 10
- **Step Three – Award**

Funded Grant Requirements



- Credit to the Arts and Heritage Program
- Paid advertising, if required
- Changes and refunds
- Reporting
- City permits

Grant Cycle Timeline



- **Application Period**
 - July 1 thru August 30
- **Workshops**
 - Attendance to at least one workshop is required.
- **Presentations, Awards, And Processing**
 - Applicant presentations: October
 - Discussion and decision: November
 - Notification: Within 10 days after decision
- **Contract processing**
 - If granted, December

Grant Cycle Timeline FY 2026



- **Application Period**
 - January 15, 2025 – February 28, 2026
- **Workshops**
 - Attendance to at least one workshop is required.
- **Presentations, Awards, And Processing**
 - Applicant presentations: March/April 2026
 - Discussion and decision: April/May 2026
 - Notification: Within 10 days after decision
- **Contract processing**
 - If granted, May/June 2026

Questions ?



Next steps

- Consensus from City Council to move forward
- Coordinate with Communications
- Engagement with organizations