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## APPLICATION QUESTIONS

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Please answer each question completely, in the order listed, on a separate sheet attached to this application. Please include any supporting data within the response narrative.

1. Please provide a description of your project/event and identify the specific tourism audience/market that your organization will target with these funds. You must include an itemized list of exactly how any grant funds awarded will be utilized.

This project is designed to create increased tourism, museum attendance and membership, and historical awareness through social media marketing, print media, and television advertisements for Kittitas County. This project will address the growing need to maintain our annual promotions as well as apply new and exciting promotions to develop an increase in attendance and tourism to Kittitas County.

These funds will be used wisely to continue to achieve and expand a successful marketing and advertising campaign geared towards tourism and the primary mission of the Kittitas County Historical Museum. As a result of previous support through the Lodging Tax Grant, we have been able to fulfill expectations, increase attendance and membership, and continue our outreach to the community through advertising and in-house activities. We have continued to reach record attendance and multi-year-high rates.

Our current marketing plan targets Central Washington, specifically the Wenatchee and Tri-Cities areas. It was only after a careful review of our advertising in 2012 and implementation in 2013, that we achieved a successful advertising and marketing campaign in the Tri-Cities area. In 2014, we expanded our demographic of Central Washington to Eastern Washington and into Idaho (specifically Spokane and Coeur d'Alene, Idaho). As we are facing a fourth year of marketing, which is known to be very successful in general marketing standards, we want to increase our frequency of advertising into these areas of the Tri-Cities and Spokane and Coeur d'Alene, Idaho to draw in more travelers and day-trip visitors to Kittitas County.

We execute this plan through social media marketing such as online Facebook advertisements and television advertisements tailored around events, programs, and activities KCHM offers throughout the year. After careful analysis of our demographic, our promotional needs and our limited budget, Genesis Marketing recommends that television advertising be placed with KIMA and KEPR, a news source that statistics show heavily targets our potential audience. Online Facebook advertisements will reach a wide demographic of Central Washington (outside of the Kittitas/Yakima area) and Eastern Washington into the Coeur d'Alene area. This will work alongside the television advertising to increase frequency of our message. Additional online advertising may reach out to the Western Washington area, a demographic and market where we would like to expand. Funding requested will also provide for production of advertisements for both television and online marketing.

The target audiences we are trying to reach are those who are interested in local or regional history as well as those who are planning a trip to or through Ellensburg, Washington and Kittitas County. We would like to attract first time as well as repeat visitors in the Pacific Northwest including individuals such as children, adults, researchers, students, and educators.

The specific itemized list of the request is attached (see "Genesis Marketing: 2016 Kittitas Co Historical Museum – Option 2").

- 2 Please provide the following estimates of how any money received will result in increases in the number of people traveling for business or pleasure on a trip:
- I. Away from their place of residence or business and staying overnight in paid accommodations;
  - II. To a place fifty miles or more away from their place of residence or business for the day or staying overnight; or
  - III. From another country or state outside of their place of residence or business.

You must provide the evidence utilized in determining your projections.

By continuing to advertise in the Tri-Cities area and the Spokane/Coeur d'Alene area, we will draw many day-trippers and travelers to and through Ellensburg and Kittitas County. We know at present many of our guests are from outside of the Kittitas County area, especially more than 50 miles away. Although difficult to quantify at present, visitors to our museum that stay overnight in local hotels/motels, also purchase meals, gas, and gifts while here. Other visitors have indicated to us that multiple venues on certain weekends justify them staying overnight.

Approximately 50% of our guests inquire about other activities in and around Ellensburg and Kittitas County, such as food, shopping, educational offerings, other museums and historical sites. Of these, we are certain that at least 25% will purchase meals, gas, gifts, and more while passing through Kittitas County. Guests to the museum have identified they come from locations outside Kittitas County and the state of Washington. We also direct visitors to local attractions in and around Kittitas County and Ellensburg, such as museums, historic sites, recreational opportunities and more. We have shown an increase in visitors from the Tri-Cities area and from the Spokane/Coeur d'Alene area, as well as guests from foreign countries.

We have sent a questionnaire out to our guests who have provided email addresses, and are awaiting response from these. However, from the guest log, most of those who provided email addresses were from outside the Yakima/Ellensburg area. We are also in the process of establishing an onsite questionnaire that will provide a more actual count of hotel stays and visitors from more than 50 miles away.

We have received commitment from some of our organizations that meet at the museum that the attendees will be staying in the area overnight. We have committed hotel stays for 5 presenters (1 night each), and the Washington State XVII Century Colonial Dames which meet at the museum 3 times yearly with 6 people staying overnight (totaling 18 night stays). We have also had an additional 4 individuals stay in Ellensburg solely to visit the Museum and its events (2 individuals, 2 times).

As for our projection, we know we are part of the overall system, but have had an increase in visitors indicating that they only came to Ellensburg because they had seen the advertising for the Museum in our targeted demographic. Others indicate they had seen signage or brochures at area locations.

#### 2016 KCHM Projections:

##### **Day visitors:**

$7560 \times \$86/\text{day} = \$650,160$  expenditures  $\times .08(\text{tax}) = \$52,012.80$  sales tax revenues annually

**Overnight visitors:**

$2493 \times \$185/\text{night} = \$461,205$  expenditures  $\times .08(\text{tax}) = \$36,896.40$  sales tax revenues annually (\*indirectly attributed)

$27 \times \$185/\text{night} = \$4,995$  expenditures  $\times .08(\text{tax}) = \$399.60$  sales tax revenue annually (\*directly attributed)

TOTAL:  $2520 \times \$185/\text{night} = \$466,200$  expenditures  $\times .08(\text{tax}) = \$37,296$  sales tax revenue annually

**Total: \$89,308.80 sales tax revenues annually**

\*Source: Smith Travel Research

Lodging Tax Projections:

$2493$  rooms booked  $\times \$76$  (ADR)  $= \$189,468 \times .02$  (lodging tax)  $= \$3,789.36$  lodging tax revenues (\*indirectly attributed)

$27$  rooms booked  $\times \$76$  (ADR)  $= \$2,052 \times .02$  (lodging tax)  $= \$41.04$  lodging tax revenues (\*directly attributed)

TOTAL:  $2520$  rooms booked  $\times \$76$  (ADR)  $= \$191,520 \times .02$  (lodging tax)  $= \$3,830.40$  lodging tax revenues

**Total Sales and Lodging Tax Revenues: \$93,139.20 annually\***

\*Source: Dean Runyan and Associates

Day visitors spend an average of \$86/day and Overnight lodging visitors spend an average of \$185/day

- 3 What tools will you use to measure your event's impact on tourism? Please be specific and provide examples. Include the following information:
- I. Is your project/event year-round or is it seasonal or date-specific?
  - II. What strategies will you employ to assure you are attracting tourists from at least 50 miles away?
  - III. What strategies will you use to assist in marketing all of Kittitas County as a tourist destination with your event/project funding request?

The Kittitas County Historical Museum's project is year-round. The advertising project will draw individuals in from throughout eastern Washington, with the targeted demographics of more than 50 miles. Our project targets those in the Tri-Cities area and the Spokane/Coeur d'Alene area.

We currently keep a daily count of visitors, and we compare the visitor count each year to previous years to help give us an understanding of the success of our campaigns and areas in need of improvement. The museum has a register book that shows the extent of our geographical draw which is an area we plan on expanding. We are in the process of revising the register book to make it more effective in capturing information, such as whether they stayed overnight. While we give our front desk volunteers visitor-service training, we will provide additional training in ways to obtain more information from visitors.

We are in the process of creating a questionnaire which will be available to guests during their visit, and will be emailed to guests who leave their email addresses. The questionnaire will address questions about their visit, including where they are from and if they stayed overnight in Kittitas County and where. The questionnaire will help calculate the effectiveness of advertising in and around our targeted demographic. In the past, the use of this funding has consistently resulted in an influx of visitors to Kittitas County.

Our project includes linking our advertising to on-going projects and events in the county to provide a wider draw. For example, if we have an exhibit on mining, we will tie to the Roslyn Museum, whether as a social media link or inclusion in television advertising. We also plan to improve our visitor lobby which will provide more information on Kittitas County business, historic sites and museums, and recreational opportunities. We are also in the process of including links to many county-wide websites on the museum's website, which will then further interest in and around Kittitas County.

4. Does your organization have, or have you applied for, grant funding from other sources? If not, why not? If yes, please list the available funding you have for the project, including any volunteer and in-kind sources, and/or the sources and amounts for which you have applied. Please note which funding sources are secured and in hand so a true matching fund determination may be determined. What changes would occur if the project couldn't be funded?

The Kittitas County Historical Museum currently receives no monetary support for advertising beyond the allocated amount through the museum's annual budget and what is awarded through the Lodging Tax Grant process. However, due to the continued success of the advertising and marketing plans for the museum, the Museum's Board of Directors have increased the museum's advertising budget from \$2,000.00 to \$5,000.00 for the 2015 budget which then matched the Lodging Tax grant fund request. For the 2016 year annual budget, the Museum's Board of Directors have proposal to increase the line item funding for advertising again to an expected allocation of \$7,500.00. These funds will be used to match the Lodging Tax grant fund request.

While we have applied for grant funding for capital improvement and archival project specific funding in 2015, the funding is dedicated for those projects and not for advertising. We were successful in receiving dedicated funding awards for an archival project (\$1,700) from the House Bill 1386 Grant for Kittitas County. We were not funded additional awards for advertising. In 2016, we are planning to apply for capital improvement project funding through local grants, such as the Puget Sound Energy Foundation, Yakama Cares (Yakama Nation), the Yakima Valley Community Fund in addition to grants specific to museum collections storage, archives maintenance, and collections care.

We ask for support from the Lodging Tax Grant to help accommodate all of the new ideas we would like to apply to achieve success. If not funded, we would adjust our plans to reflect the decreased budget.

5. If your organization collaborates or has created partnerships with other organizations, other groups, or other events to cross-promote in an effort to encourage county-wide tourism, how is this accomplished?

Throughout the year, the KCHM hosts special exhibits, programs, and events to promote the topic of the particular exhibit. When offering these activities, we work with local businesses and other non-profits to increase exposure for both parties. We have sought assistance with the Kittitas County Chamber of Commerce, both in the past and at present, which has been beneficial. We have increased our presence at events throughout Kittitas County through co-sponsoring events, having a booth, etc., and will be expanding our presence in the community during events in 2016.

Events we collaborate with:

- **Spirit of the West Cowboy Gathering:** A traditional cowboy festival with musicians, poets, and artists together to celebrate the western tradition of ranching and cowboy life. The KCHM provides a venue for this event as well as exhibits on cowboy culture.
- **Jazz in the Valley:** A celebration of jazz music in historic downtown Ellensburg. The KCHM usually has an exhibit relating to music and offers special events (such as an ice cream social).
- **Cruisin' for Hospice:** An annual car show in historic downtown Ellensburg. We provide historic vehicles for the car show and direct people to our historic vehicle collection display.
- **The Ellensburg Rodeo/Kittitas County Fair:** A PRCA pro rodeo event, The Ellensburg Rodeo has earned a place as one of America's Top 10 professional rodeos. The KCHM offers several exhibits focused on the rodeo and fair.
- **Moments to Remember:** This event starts on the day after Thanksgiving and marks the beginning of the holiday season. The museum provides an annual "Remember When...?" exhibit which focuses on historical aspects that may invoke reminiscences of times past.
- **Barn Quilts of Kittitas County:** A unique, year-round event that celebrates the rich agricultural history of Kittitas County. The museum is proud to be a partner of the BQKC and supplies historical information about agriculture, including historic photographs, information and more. We also provide this information to visitors seeking additional knowledge on local agricultural history as they visit the barn quilt trail.
- **Early Iron Club Annual Threshing Bee and Antique Equipment Show:** A yearly weekend festival celebrating the agricultural history of Kittitas County. The museum helps to co-sponsor this event, and has done so since before 2000. We provide an annual allocation for sponsorship of the event in our annual budget well as create and produce their promotional materials. We provide additional agricultural exhibits, history, and support for the ongoing program.
- **Haunting Ellensburg:** An annual haunted house event at the Kittitas County Fairgrounds, put on by Kron, Inc. The museum provides historical research about unusual happenings, events, and activities in the Kittitas County area. We also serve a location for tickets to be picked up for the event, as well as a meeting place for volunteers of the event.

- 6 Please explain what plans exist to allow this project to become self-sustaining.  
Include any plans for ticket sales, event sponsors, and other cost-recovery models.

The Kittitas County Historical Museum has plans to make this program self-sustaining. Due to the current success of the advertising, the Museum's Board of Directors has become educated about the rate of return of the advertising investment. In 2015, as a result of the success, they increased the budget line for the museum contribution to advertising from \$2,000 to \$5,000 (an increase of 150%). For 2016, the preliminary annual budget includes another increase for the museum contribution to advertising from \$5,000 to \$7,500 (an increase of 150% again). The increased budget line provides a greater match for our funding request and for advertising in general, and decreases the reliance on the

Lodging Tax Grant (57% request for 2016 compared to 65% in 2015).

While the museum has a membership program in which the fees go towards funding of events, activities, and programs, we will be rolling out a corporate and business sponsorship plan in 2016. In the previous year, we were able to retain some business partnerships that wish to remain anonymous. We also have received an increased rate of donations to the museum as a result of increased visitation to the museum, which we attribute to the current advertising campaign.

We plan to build on our membership and corporate partnerships and sponsorships to offer more events, activities and programs, which would benefit both the museum and local businesses, institutions and organizations. We anticipate growing our sponsorships for regular museum events with a variety of local companies. Additional partnerships and event sponsors are currently being discussed for the 2016 year.

7. **Additional information:** Provide any additional information which will assist the Lodging Tax Advisory Committee in evaluating your project and its benefit to tourism. Please limit any additional written information to one page and any other additional attachments to 3 pages. Regardless of how much additional information is included, only the first 3 pages will be provided to reviewers.

The Kittitas County Historical Museum is a private, nonprofit charitable organization. With only two paid staff and 25 volunteers, we plan to continue building awareness of the museum, which will reflectively increase our further sustainability.

In 2013, we embarked on a new advertising campaign after having been denied funding the previous year. We were able to turn our numbers around and show a 27% increase in attendance and use of the museum between 2013 and 2014 due to the advertising and marketing campaign. We expanded the original market from Ellensburg, Wenatchee and Yakima to the Tri-Cities. We then increased frequency in 2014 and expanded to the Spokane/Coeur d'Alene area in 2015 through advertising on Comcast TV (specifically the History Channel and Discovery Channel). This has shown an increase in visitation at a consistent rate of 25-28%, and especially from the targeted market areas. In 2016, we would like to increase the frequency of our message to those in the Tri-Cities and Coeur d'Alene areas.

We currently have had over 77% visitation when compared to the 2014 year-end total (as shown in Figure 1). While we do show a minor decrease in visitation, which is due to having a number of special events in 2014 that were not repeated in 2015 (such as the 125<sup>th</sup> anniversary of the Great Ellensburg Fire of July 4, 1889, celebrated on July 4, 2014). Our museum register shows a wide array of guests to the museum, including those in our targeted demographic of the Tri-Cities and Spokane/Coeur d'Alene areas and surrounding areas to our targeted demographic. Our Museum Monthly Attendance numbers have shown an 8-year high in our visitor attendance, and our goal is to continue to grow the museum attendance again by 25+%.

We have had an increase in our donations to the museum, where as of August 31, 2015 we exceeded the amount donated in 2014 and project that at the end of 2015, our donations will be at a record rate. We have also increased our gift shop sales as a direct result of the increased visitation. We have already exceeded the anticipated income by 569% and increased over 2014 year-to-date numbers by 43% (as shown in Figure 2). Continued visitation to the museum will reflect in increased purchases,

which the museum expects to develop its marketing and sales to accommodate the increased interest in the Museum. This may include redesigning the Museum's gift shop (and increase items for sale) as a result.

In addition, as a result of increased visitation, the museum has began to experiment with its hours to meet the needs of the community. For example, the Museum was open for 3 Sundays this year to coincide with major events (Spirit of the West, Jazz in the Valley, and the Kittitas County Fair/Ellensburg Rodeo). These openings have increased visitation to the museum as a whole, as well as allowing for additional later closures depending on visitation to the Museum (specifically closing at 5pm versus 4pm), as well as to provide an evening venue for events and meetings. Further hour changes are being discussed for 2016 to coincide with more events, including Girls Night Out, Buskers in the Burg, and more.

By continuing to build a successful model, we are planning to increase our frequency of advertising in the eastern Washington demographic, an area that has shown interest in the museum and region, by way of increased numbers in our museum register. By increasing the frequency, we will hone in on the message of the museum and target a demographic already predisposed to visit the museum. These individuals are already interested in history and are more apt to visit the museum and local attractions. By producing the advertising, we will be able to add more information and an overall access and view of the museum to the advertising which may attract more visitors.

With a continued program building on the success of television advertising and increasing both frequency and the amount of social media marketing, we can increase visits to the museum and in its membership. This will provide further sustainability and allow for the museum to host a wider array of events, public programming, classes and educational opportunities, exhibits, and more, as well as draw many folks in from throughout the Pacific Northwest.

Our confirmed hotel stays have been the result of events hosted by the museum (lecture series) and groups that use the museum. These numbers have been confirmed by email and by hotel reservation by the museum. The actual number is reduced from full total because one group cancelled a meeting but confirmed the total meetings for next year. However, the total lectures next year are given at a low end instead of an expanded series as it was this year.

ALL CATEGORIES OF MUSEUM USE		
	2014	2015
January	318	280
February	262	1124
March	417	416
April	544	919
May	745	849
June	804	635
July	1056	690
August	613	607
September	765	
October	934	
November	322	
December	349	
Totals	7129	5520

Fig. 1 Snapshot of Museum Monthly Attendance Count

	2015 Budget	Thru 9/15/15	Thru 9/15/14	\$ Change	% Change	% 2015 budget spent	
1							
2	Ordinary Income/Expense						
3	Income						
5	50102 Gift Shop Income	\$ 300	1,706	1,193	513	43%	569%
8	50105 Donation box	\$ 2,000	2,991	1,982	1,009	51%	150%

Fig. 2 Snapshot of Museum Actual v. Budget for 2015

**8 Project Budget:** Please attach a copy of the complete budget for this project/proposal. If your agency operates independently of this project application it may not be necessary to submit the entire agency budget. You must submit a budget which specifically pertains to the project/event for which you are requesting funding and adheres to the basic budget format shown below.

The budget must include anticipated revenues, expenditures, and any potential profit or loss. For projects/events which are ongoing for more than one (1) year, please also submit actuals from the previous three (3) years of operations for the project/proposal if applicable. Also, please supply any narratives necessary to understand the budget being submitted and list separately any in-kind or volunteer contributions.

For any claimed in-kind contributions valued at \$500 or more and related to marketing/advertising, you must submit verifying documentation which assures the contribution will be provided. For instance, if you are claiming in-kind contributions in the form of advertising match, a binding contract itemizing the matching value and obligating each party must be provided.

Please assure your budget, and actuals from previous years (if applicable), are in the following basic format:

Revenues:

Cash Donations/Sponsorships  
Sales  
Vendor Fees Grants  
Etc.

Total Revenues

In-Kind Contributions:

Volunteer Labor  
Donated Services  
Donated Materials  
Etc.

Total In-kind

Expenses:

Venue  
Insurance  
Services  
Advertising



2016 Proposed KCHS Budget

	<b>Proposed 2016 Budget</b>
<b>Ordinary Income/Expense</b>	
<b><u>Income</u></b>	
50100 · Fundraiser	\$ 4,000
50102 · Gift Shop Income	\$ 1,000
50103 · Foundation Income	\$ -
50104 · Memorials-other	\$ 250
50105 · Donation box	\$ 2,000
50106 · Membership Dues	\$ 4,500
50109 · Interest Income-unrestricted	\$ 150
50110 · Interest Income-restricted	\$ 500
50113 · Contributions & \$ Donations	\$ 750
50114 · Other	\$ 350
50115 · County Hotel/Motel - Funding Reimbursement	\$ -
50118 · Amerititle Contract Income	\$ 21,660
50122 · Programs & Events Sponsorship	\$ -
50123 · Programs & Events Income	\$ -
50124 · Grants Income	\$ -
80102 · 114 1/2 rental income	\$ 40,200
80113 · University Way Rental Income	\$ 6,000
80114 · Property Income-402 S Main	\$ 32,100
80115 · Property Tax Reimbursement	\$ 4,000
80119 · Insurance Reimburs.-402 S M	\$ 1,150
<b>Total Income</b>	<b>\$ 118,610</b>
<b><u>Expense</u></b>	
6560 · Payroll Expenses	\$ 5,670
70003 · Utilities-Museum	\$ 10,000
70004 · Insurance-Directors&Officers	\$ 950
70006 · Insurance-Museum	\$ 6,750
70007 · Insurance-Employee Health	\$ 10,000
70101 · RE Taxes-114 E 3rd	\$ 2,700
70102 · Taxes-Payroll	\$ 2,250
70202 · Janitorial Service	\$ 3,000
70204 · Accounting	\$ 3,000
70205 · Advertising	\$ 7,500
70206 · Bank Charges	\$ 200
70207 · Travel and Seminar Fee	\$ 500
70302 · Legal	\$ 500
70303 · Dues and Membership	\$ 500
70304 · Repairs-Museum	\$ 750
70305 · Capital Improv./Remodel	\$ 1,000
70308 · Repairs-University Way	\$ 250
70402 · Telephone-Storage E Univ	\$ 350
70403 · Telephone-Museum	\$ 1,250
70407 · Security-Storage E Univeristy	\$ 375

2016 Proposed KCHS Budget

70408 · Security-Museum	\$	560
70409 · Reference Books	\$	100
70410 · Postage	\$	500
70411 · Licenses and Fees	\$	100
70412 · Salary	\$	56,000
70415 · Supplies-Museum Facilities	\$	1,000
70416 · Supplies-Office	\$	1,750
70419 · Water Service	\$	300
70501 · Miscellaneous	\$	350
70503 · Internet Service	\$	600
70504 · Gift Shop Purchases	\$	750
70601 · Exhibit/Display Expense	\$	500
70602 · Coll'n, Conserv'n & IPM	\$	1,750
70603 · Equipment & Software	\$	1,500
70701 · Fundraising Expense	\$	1,500
70801 · Program/Events Expense	\$	2,000
70901 · Education Expense	\$	150
80103 · Utilities-Rental 114 1/2	\$	75
80105 · Garbage Pick Up-Rental	\$	1,500
80106 · Janitorial Service-Rental 114	\$	250
80109 · Repairs-Rental 114 1/2	\$	1,500
80110 · Legal-Rental	\$	100
80112 · Miscellaneous-Rental	\$	75
80117 · RE Taxes-402 S Main	\$	4,000
80118 · RE Taxes-University Way	\$	150
<b>Total Expense</b>	<b>\$</b>	<b>134,555</b>
<b>Net Income</b>	<b>\$</b>	<b>(15,945)</b>

# 2015 Year to Date Budget v. Actual

	2015 Budget	Thru 9/15/15	Thru 9/15/14	\$ Change	% Change	% 2015 budget spent
<b>Ordinary Income/Expense</b>						
<b>Income</b>						
50101 · Fundraiser	\$ 4,000	2,620	7,129	-4,510	-63%	65%
50102 · Gift Shop Income	\$ 300	1,706	1,193	513	43%	569%
50103 · Foundation Income	\$ -	0	6,022	-6,022	-100%	
50104 · Memorials-Other	\$ 250	130	2,395	-2,265	-95%	52%
50105 · Donation box	\$ 2,000	2,991	1,982	1,009	51%	150%
50106 · Membership Dues	\$ 4,500	3,577	3,640	-63	-2%	79%
50109 · Interest Income-unrestricted	\$ 150	45	127	-82	-65%	30%
50110 · Interest Income-restricted	\$ 500	601	601	0	0%	120%
50113 · Contributions & \$ Donations	\$ 750	901	1,152	-251	-22%	120%
50114 · Other	\$ 350	402	561	-160	-29%	115%
50115 · County Hotel/Motel - Funding	\$ -	0	924	-924	-100%	
50118 · Amerititle Contract Income	\$ 21,660	94,439	66,012	28,427	43%	436%
50124 · Grants Income	\$ -	1,450	865	585	68%	
80102 · 114 1/2 rental income	\$ 40,200	28,999	28,785	214	1%	72%
80113 · University Way Rental Income	\$ 6,000	4,500	4,500	0	0%	75%
80114 · Property Income-402 S Main	\$ 32,100	21,400	23,625	-2,225	-9%	67%
80115 · Property Tax Reimbursement	\$ 4,000	4,285	4,079	205	5%	107%
80114 · Insurance Reimb.-402 S Main	\$ 1,150	1,446	1,167	279	24%	126%
<b>Total Income</b>	<b>\$ 118,610</b>	<b>169,492</b>	<b>154,760</b>	<b>14,732</b>	<b>10%</b>	<b>143%</b>
<b>Expense</b>						
6560 · Payroll Expenses	\$ 5,670	17,732	4,485	13,246	295%	313%
70003 · Utilities-Museum	\$ 10,000	6,258	6,794	-536	-8%	63%
70004 · Insurance - Directors & Officer	\$ 950	701	683	18	3%	74%
70006 · Insurance-Museum	\$ 6,750	3,469	3,471	-3	-0%	51%
70007 · Insurance-Employee Health	\$ 10,000	6,735	5,836	898	15%	67%
70101 · RE Taxes-114 E 3rd	\$ 2,700	1,520	1,448	72	5%	56%
70102 · Taxes-Payroll	\$ 2,250	2,505	1,290	1,215	94%	111%
70202 · Janitorial Service	\$ 3,000	2,038	1,834	204	11%	68%
70204 · Accounting	\$ 3,000	1,845	2,445	-600	-25%	62%
70205 · Advertising	\$ 5,000	12,341	9,601	2,740	29%	247%
70206 · Bank Charges	\$ 200	322	263	59	22%	161%
70207 · Travel and Seminar Fee	\$ 500	500	1,500	-1,000	-67%	100%
70303 · Dues and Membership	\$ 500	460	225	235	104%	92%
70304 · Repairs-Museum	\$ 750	257	8,888	-8,631	-97%	34%
70305 · Capital Improv./Remodel	\$ 1,000	16,410	1,003	15,408	1,537%	1641%
70402 · Telephone-Storage E Univ	\$ 350	353	287	66	23%	101%
70403 · Telephone-Museum	\$ 1,250	904	741	163	22%	72%
70407 · Security-Storage E University	\$ 375	279	279	0	0%	74%
70408 · Security-Museum	\$ 560	460	414	46	11%	82%
70409 · Reference Books	\$ 100	36	25	11	46%	36%
70410 · Postage	\$ 500	294	477	-183	-38%	59%
70411 · Licenses and Fees	\$ 100	40	40	0	0%	40%
70412 · Salary	\$ 56,000	40,584	38,330	2,254	6%	72%
70415 · Supplies-Museum Facilities	\$ 1,000	971	954	17	2%	97%
70416 · Supplies-Office	\$ 1,750	1,302	814	488	60%	74%
70419 · Water Service	\$ 300	260	249	10	4%	87%
70501 · Miscellaneous	\$ 350	1,058	425	632	149%	302%
70503 · Internet Service	\$ 600	376	515	-139	-27%	63%
70504 · Gift Shop Purchases	\$ 300	1,318	1,243	75	6%	439%
70601 · Exhibit/Display Expense	\$ 500	671	5,937	-5,266	-89%	134%

70602 - Coll'n, Conserv'n & IPM	\$	1,750	950	4,073	-3,123	-77%	54%
70603 - Equipment & Software, Museum	\$	1,500	432	1,121	-689	-62%	29%
70701 - Fundraising Expense	\$	1,500	1,058	3,091	-2,034	-66%	71%
70801 - Program/Events Expense	\$	2,000	2,057	872	1,184	136%	103%
80103 - Utilities-Rental 114 1/2	\$	75	93	55	38	69%	124%
80105 - Garbage Pick Up-Rental 114 1/2	\$	1,500	1,101	975	126	13%	73%
80106 - Janitorial Service-Rental 114 1/2	\$	250	360	470	-110	-23%	144%
80109 - Repairs-Rental 114 1/2	\$	1,500	12,058	8,963	3,095	35%	804%
80112 - Miscellaneous-Rental	\$	75	6	3	3	100%	9%
80117 - RE Taxes-402 S Main	\$	4,000	2,142	2,040	103	5%	54%
80118 - RE Taxes-University Way	\$	150	161	154	7	5%	107%
<b>Total Expense</b>	<b>\$</b>	<b>132,055</b>	<b>142,415</b>	<b>122,314</b>	<b>20,101</b>	<b>16%</b>	<b>108%</b>
<b>Net Income</b>		<b>-13,445</b>	<b>27,077</b>	<b>32,445</b>	<b>-5,368</b>	<b>-17%</b>	<b>-201%</b>

2014 End of Year Budget v. Actual

	<b>2014 Budget</b>	Thru 12/31/14	Thru 12/31/13	\$ Change	% Change	% 2014 budget spent
<b>Ordinary Income/Expense</b>						
<b>Income</b>						
50101 · Fundraiser	\$ 4,000	7,129	4,695	2,434	52%	178%
50102 · Gift Shop Income	\$ 300	1,671	1,054	617	59%	557%
50103 · Foundation Income	\$ -	6,022	0	6,022	100%	
50104 · Memorials-Other	\$ 250	2,625	580	2,045	353%	1050%
50105 · Donation box	\$ 2,000	2,919	3,297	-378	-12%	146%
50106 · Membership Dues	\$ 4,500	6,100	6,510	-410	-6%	136%
50109 · Interest Income-unrestricted	\$ 300	172	204	-31	-15%	57%
50110 · Interest Income-restricted	\$ 150	903	272	631	232%	602%
50113 · Contributions & \$ Donations	\$ 750	2,068	1,944	123	6%	276%
50114 · Other	\$ 200	574	747	-173	-23%	287%
50115 · County Hotel/Motel - Funding	\$ -	10,354	11,957	-1,603	-13%	
50118 · Amerititle Contract Income	\$ 24,924	74,412	31,085	43,328	139%	299%
50124 · Grants Income	\$ -	865	2,715	-1,850	-68%	
80102 · 114 1/2 rental income	\$ 38,400	36,558	37,789	-1,231	-3%	95%
80113 · University Way Rental Income	\$ 6,000	6,000	6,000	0	0%	100%
80114 · Property Income-402 S Main	\$ 31,020	34,325	31,020	3,305	11%	111%
80115 · Property Tax Reimbursement	\$ 3,700	4,079	3,950	129	3%	110%
80114 · Insurance Reimb.-402 S Main	\$ 1,100	1,167	1,167	0	0%	106%
<b>Total Income</b>	<b>\$ 117,594</b>	<b>197,943</b>	<b>144,985</b>	<b>52,958</b>	<b>37%</b>	<b>168%</b>
<b>Expense</b>						
6560 · Payroll Expenses	\$ 5,670	10,515	6,470	4,045	63%	185%
70003 · Utilities-Museum	\$ 10,000	8,826	9,391	-565	-6%	88%
70004 · Insurance - Directors & Officer	\$ 1,600	911	911	0	0%	57%
70006 · Insurance-Museum	\$ 6,500	6,942	6,546	396	6%	107%
70007 · Insurance-Employee Health	\$ 10,000	9,260	7,959	1,301	16%	93%
70101 · RE Taxes-114 E 3rd	\$ 2,700	2,888	2,796	91	3%	107%
70102 · Taxes-Payroll	\$ 2,250	1,711	1,566	145	9%	76%
70202 · Janitorial Service	\$ 3,000	2,697	1,774	922	52%	90%
70204 · Accounting	\$ 3,000	2,735	2,295	440	19%	91%
70205 · Advertising	\$ 2,000	13,354	12,911	443	3%	668%
70206 · Bank Charges	\$ 200	263	90	173	193%	132%
70207 · Travel and Seminar Fee	\$ 1,500	1,500	90	1,410	1,567%	100%
70302 · Legal	\$ 500	69	311	-242	-78%	14%
70303 · Dues and Membership	\$ 500	465	690	-225	-33%	93%
70304 · Repairs-Museum	\$ 750	8,888	2,450	6,438	263%	1185%
70305 · Capital Improv./Remodel	\$ 1,000	12,744	20,953	-8,209	-39%	1274%
70402 · Telephone-Storage E Univ	\$ 350	400	453	-54	-12%	114%
70403 · Telephone-Museum	\$ 1,250	1,028	1,239	-211	-17%	82%
70407 · Security-Storage E University	\$ 375	372	372	0	0%	99%
70408 · Security-Museum	\$ 560	552	644	-92	-14%	99%
70409 · Reference Books	\$ 100	50	25	25	100%	50%
70410 · Postage	\$ 500	624	414	210	51%	125%
70411 · Licenses and Fees	\$ 100	90	90	0	0%	90%
70412 · Salary	\$ 54,000	54,874	50,667	4,207	8%	102%
70415 · Supplies-Museum Facilities	\$ 1,000	1,387	1,521	-134	-9%	139%
70416 · Supplies-Office	\$ 1,750	1,095	1,804	-709	-39%	63%
70419 · Water Service	\$ 300	383	298	85	29%	128%
70501 · Miscellaneous	\$ 350	1,129	437	692	158%	323%
70503 · Internet Service	\$ 600	820	664	156	24%	137%
70504 · Gift Shop Purchases	\$ 300	1,489	688	801	117%	496%

2014 End of Year Budget v. Actual

70601 · Exhibit/Display Expense	\$ 500	6,188	575	5,612	976%	1238%
70602 · Coll'n, Conserv'n & IPM	\$ 1,750	4,836	1,271	3,565	281%	276%
70603 · Equipment & Software, Museum	\$ 1,500	1,650	2,178	-528	-24%	110%
70701 · Fundraising Expense	\$ 1,500	3,091	1,274	1,817	143%	206%
70801 · Program/Events Expense	\$ 2,000	2,738	3,034	-297	-10%	137%
80103 · Utilities-Rental 114 1/2	\$ 75	72	26	46	177%	95%
80105 · Garbage Pick Up-Rental 114 1/2	\$ 1,500	1,431	1,436	-6	-0%	95%
80106 · Janitorial Service-Rental 114 1/2	\$ 250	688	517	170	33%	275%
80109 · Repairs-Rental 114 1/2	\$ 1,500	13,141	18,498	-5,357	-29%	876%
80110 · Legal-Rental	\$ 100	0	413	-413	-100%	0%
80112 · Miscellaneous-Rental	\$ 75	30	11	19	174%	40%
80117 · RE Taxes-402 S Main	\$ 3,800	4,079	3,950	129	3%	107%
80118 · RE Taxes-University Way	\$ 150	154	149	5	3%	102%
<b>Total Expense</b>	<b>\$ 127,405</b>	<b>186,158</b>	<b>169,852</b>	<b>16,306</b>	<b>10%</b>	<b>146%</b>
<b>Net Income</b>	<b>-9,811</b>	<b>11,785</b>	<b>-24,867</b>	<b>36,652</b>	<b>147%</b>	<b>-120%</b>

2013 Year End Treasurer's Report

	<b>2013 Budget</b>	<b>Thru 12/31/13</b>	<b>Thru 12/31/12</b>	<b>\$ Change</b>	<b>% Change</b>	<b>% 2013 budget spent</b>
<b>Ordinary Income/Expense</b>						
<b>Income</b>						
50101 · Fundraiser	\$ 5,000	4,695	6,375	-1,680	-26%	94%
50102 · Gift Shop Income	\$ 100	1,054	494	559	113%	1054%
50104 · Memorials-Other	\$ 250	580	0	580	100%	232%
50105 · Donation box	\$ 2,000	3,297	2,355	942	40%	165%
50106 · Membership Dues	\$ 4,500	6,510	6,315	195	3%	145%
50109 · Interest Income-unrestricted	\$ 500	204	507	-303	-60%	41%
50110 · Interest Income-restricted	\$ 150	272	192	80	42%	181%
50113 · Contributions & \$ Donations	\$ 500	1,944	482	1,462	303%	389%
50114 · Other	\$ 200	747	3,506	-2,759	-79%	374%
50115 · County Hotel/Motel - Funding	\$ -	11,957	2,500	9,457	378%	
50118 · Amerititle Contract Income	\$ 23,910	31,085	23,910	7,175	30%	130%
50124 · Grants Income	\$ -	2,715	5,000	-2,285	-46%	
80102 · 114 1/2 rental income	\$ 31,200	37,789	35,912	1,876	5%	121%
80113 · University Way Rental Income	\$ 6,000	6,000	6,000	0	0%	100%
80114 · Property Income-402 S Main	\$ 31,020	31,020	31,020	0	0%	100%
80115 · Property Tax Reimbursement	\$ 3,700	3,950	3,728	222	6%	107%
80114 · Insurance Reimb.-402 S Main	\$ 1,100	1,167	1,076	91	9%	106%
<b>Total Income</b>	<b>\$ 110,130</b>	<b>144,985</b>	<b>129,374</b>	<b>15,612</b>	<b>12%</b>	<b>132%</b>
<b>Expense</b>						
6560 · Payroll Expenses	\$ 5,670	6,470	4,205	2,266	54%	114%
70003 · Utilities-Museum	\$ 12,000	9,391	8,415	975	12%	78%
70004 · Insurance - Directors & Officer	\$ 1,600	911	0	911	100%	57%
70006 · Insurance-Museum	\$ 6,500	6,546	6,303	243	4%	101%
70007 · Insurance-Employee Health	\$ 10,000	7,959	8,599	-640	-7%	80%
70101 · RE Taxes-114 E 3rd	\$ 2,700	2,796	2,640	157	6%	104%
70102 · Taxes-Payroll	\$ 2,250	1,566	1,630	-64	-4%	70%
70202 · Janitorial Service	\$ 1,800	1,774	1,610	165	10%	99%
70204 · Accounting	\$ 3,000	2,295	2,410	-115	-5%	77%
70205 · Advertising	\$ 2,000	12,911	1,896	11,016	581%	646%
70206 · Bank Charges	\$ 200	90	244	-154	-63%	45%
70207 · Travel and Seminar Fee	\$ 400	90	1,000	-910	-91%	23%
70302 · Legal	\$ 500	311	1,791	-1,480	-83%	62%
70303 · Dues and Membership	\$ 500	690	371	319	86%	138%
70304 · Repairs-Museum	\$ 750	2,450	6,305	-3,855	-61%	327%
70305 · Capital Improv./Remodel	\$ 1,000	20,953	33,028	-12,075	-37%	2095%
70402 · Telephone-Storage E Univ	\$ 350	453	405	48	12%	130%
70403 · Telephone-Museum	\$ 1,250	1,239	1,094	146	13%	99%
70407 · Security-Storage E University	\$ 375	372	339	33	10%	99%
70408 · Security-Museum	\$ 560	644	504	140	28%	115%
70409 · Reference Books	\$ 100	25	75	-50	-67%	25%
70410 · Postage	\$ 500	414	492	-78	-16%	83%
70411 · Licenses and Fees	\$ 100	90	90	0	0%	90%
70412 · Salary	\$ 52,000	50,667	51,818	-1,151	-2%	97%
70415 · Supplies-Museum Facilities	\$ 1,000	1,521	5,144	-3,623	-70%	152%
70416 · Supplies-Office	\$ 1,500	1,804	1,019	784	77%	120%
70419 · Water Service	\$ 300	298	398	-100	-25%	99%
70421 · Copy Machine	\$ -	0	498	-498	-100%	
70501 · Miscellaneous	\$ 350	437	296	141	48%	125%
70503 · Internet Service	\$ 1,000	664	1,023	-359	-39%	66%
70504 · Gift Shop Purchases	\$ 150	688	132	556	422%	459%

# 2013 Year End Treasurer's Report

70601	Exhibit/Display Expense	\$	500	575	639	-64	-10%	115%
70602	Coll'n, Conserv'n & IPM	\$	1,750	1,271	1,487	-216	-15%	73%
70603	Equipment & Software, Museum	\$	1,500	2,146	484	1,662	343%	143%
70701	Fundraising Expense	\$	1,500	1,274	1,716	-442	-26%	85%
70801	Program/Events Expense	\$	1,000	3,034	636	2,398	377%	303%
80103	Utilities-Rental 114 1/2	\$	75	26	50	-24	-48%	34%
80105	Garbage Pick Up-Rental 114 1/2	\$	1,500	1,436	1,441	-5	-0%	96%
80106	Janitorial Service-Rental 114 1/2	\$	250	517	335	182	54%	207%
80109	Repairs-Rental 114 1/2	\$	1,500	18,498	3,105	15,393	496%	1233%
80110	Legal-Rental	\$	100	413	45	368	818%	413%
80112	Miscellaneous-Rental	\$	75	11	9	2	16%	14%
80117	RE Taxes-402 S Main	\$	3,800	3,950	3,728	222	6%	104%
80118	RE Taxes-University Way	\$	150	149	141	8	6%	99%
<b>Total Expense</b>		<b>\$</b>	<b>124,355</b>	<b>169,820</b>	<b>157,589</b>	<b>12,231</b>	<b>8%</b>	<b>137%</b>
<b>Net Income</b>			<b>-14,225</b>	<b>-24,835</b>	<b>-28,215</b>	<b>3,381</b>	<b>12%</b>	<b>175%</b>



*This is with expected expenditures through December 31 per the agreement with Genesis Marketing.*

2014 Budget:

Revenues:

Membership Dues	\$6,100
Gift Shop Income	\$1,671
Donation Box	\$2,919
Lodging Tax Grant	\$9,430

Total Revenues	\$20,120
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Expenses:

Advertising/Production	\$13,354
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Total Expenses	\$13,354
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Profit/Loss (Revenue less Expenses)	6766
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*Some of the Expenses were in the 2015 year. The museum did not provide additional support of the advertising (no match) beyond covering expenses over the allocated grant amount.*

2013 Budget:

Revenues:

Membership Dues	\$6,510
Gift Shop Income	\$1,054
Donation Box	\$3,297
Lodging Tax Grant	\$12,881

Total Revenues	\$23,742
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Expenses:

Advertising/Production	\$12,911
------------------------	----------

Total Expenses	\$12,911
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Profit/Loss (Revenue less Expenses)	10,831
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*Some of the Expenses were in the 2014 year. The museum did not provide additional support of the advertising (no match) beyond covering expenses over the allocated grant amount.*

9. Has your event received Lodging Tax funds in previous years?

Yes

No

If yes, please list each year and the amount received for that year.

- 2006 - \$2,000.00
- 2007 - \$2,575.00
- 2008 - \$2,400.00
- 2009 - \$2,000.00
- 2010 - \$2,500.00
- 2011 - \$2,500.00
- 2012 - No funding awarded
- 2013 - \$12,881.00
- 2014 - \$9,430.00
- 2015 - \$8,500.00

All applicants must also provide the following information regarding the event/project:

	Prior Year	Projected
A. How many participants and spectators attended last year's activity and/or will attend this year?	5520 (2015 is not yet complete)	10080
B. How many days did/will your event occur?	365	365
C. How many room nights were and /or will be booked as a result of your project/event? (You must provide a verifiable source of information as evidence for your response to item C. Failure to do so will disqualify your application. )	21	22

10. **Application Certification:**

The applicant here certifies and affirms: 1. That it does not now, nor will it during the performance of any contract arising from this application, unlawfully discriminate against any employee, applicant for employment, client, customer, or other person who might benefit from said contract, by reason of age, race, color, ethnicity, sex, religion, military status, sexual orientation, creed, place of birth, or disability; 2. That it will abide by all relevant local, state and federal laws and regulations and; 3. That it has read the information contained in the Instructions on pages 1 and 2 and understands and will comply with all provisions thereof.

Certified by: (signature)

(print name)

Title:

Date:

*Sadie Sothman*  
 Sadie Sothman  
 Director  
 9/25/15

Internal Revenue Service  
Director, Exempt Organizations

Date: October 18, 2001

KITTITAS COUNTY HISTORICAL SOCIETY INC  
G J R & W  
PO BOX 460  
ELLENSBURG WA 98926-0460

Department of the Treasury  
P.O. Box 2508  
Cincinnati, Ohio 45201

Person to Contact-ID#:31-07326  
Agent William C Jarvi  
Contact Telephone Numbers:  
877-829-5500 Phone  
513-263-3756 FAX  
Federal Identification Number:  
91-6037783

Dear Sir or Madam:

This is in reference to your letter of May 11, 2001, requesting a ruling regarding your qualification for status as an exempt operating foundation as defined in section 4940(d)(2) of the Internal Revenue Code.

Our records indicate you were recognized as exempt from federal income tax under section 501(c)(3) of the Code effective September of 1974. It was determined the organization was not a private foundation within the meaning of Section 509(a) of the Code because it is an organization described in Section 170(b)(1)(A)(vi) and 509(a). You have also been determined to be a private operating foundation within the meaning of section 4942(j)(3) of the Code as of January 1, 1996.

The information submitted indicates your governing body is broadly representative of the general public as evidenced by the large number of area residents of various occupations making up the Board. No Board Members are disqualified persons.

Section 4940(a) of the Code provides for the imposition on each exempt private foundation of an excise tax equal to 2 percent of the net investment income of such foundation for the taxable year.

Section 4940(d)(1) of the Code provides no tax shall be imposed under section 4940 on any private foundation which is an exempt operating foundation for the taxable year.

Section 4940(d) of the Code was enacted pursuant to the Tax Reform Act of 1984, 1984-3 C.B. (Vol. 1)1 (the "Act").

Section 4940(d)(2) of the Code provides the term "exempt operating foundation" means with respect to any taxable year, any private foundation if-

- a. such foundation is an operating foundation (as defined in section 4942(j)(3);
- b. such foundation has been publicly supported for at least 10 taxable years;

Genesis Marketing  
2703 N Pittsburg  
Spokane WA 99207

Itemized list  
For Question 1  
Sgt

Proposed cost to Kittitas County Historical Museum	\$	7,500.00	
due to ~57.14% investment from Lodging Tax	\$	10,000.00	9999.99

2016 Kittitas Co Historical Museum- **Option 2**      **Annual Budget**

KIMA/KEPR	\$	8,000.00
TV Production	\$	700.00
Online Advertising	\$	7,480.00
Ad Production Fee	\$	1,320.00
Total budget	\$	17,500.00

**Bonus received**

Free TV Production  
100% matching TV ads with paid ads on KIMA/ KEPR

**Campaign Overview:**

<b>TV :30 ads</b>	# of ads including project bonus spots
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KIMA- KEPR

TBD

Production cost will cover the creation of 2 ads which will include visiting the museum to get additional footage and small text edits throughout the year to inform people of the new exhibits. This will be done by KIMA/KEPR

**Facebook Advertising**

Campaign will promote general message with the main focus being specific events and the 5 main exhibits. Campaigns will be clicks only during promotion of events and exhibits. During the times in between the events and exhibits a portion of the budget will be used for a likes campaign. Ads will target Spokane, CDA, and Central WA. With the budget of \$7,480 you can expect to spend \$623.34 a month January through December.

**Budget Approval**

This partnership will be handled through the Kittitas County Historical Museum and agency of record Genesis Marketing. All invoices will be submitted to you by Genesis Marketing and will be due within 30 days of invoice.

A bulleted list of topics for scripts and online ads, as well as any logos and photos desired must be provided a minimum of 1 month prior to each buy's "air" date. Any proofs must be approved within 48 hours or they will run as is. In addition, there will be a fee to any additional TV ad revisions after the spots are already produced provided that the scripts match the produced spot & pronunciation is correct.

If approved, please sign and date below

Partnership Committee: \_\_\_\_\_ Date: \_\_\_\_\_

Campaign may be modified

Initial \_\_\_\_\_

# Request for Proposals

## 2016 Lodging Tax Fund



**Submission Deadline: Friday, September 25, 2015**

Kittitas County Commissioners  
205 W 5<sup>th</sup> Avenue, Suite 108, Ellensburg, WA 98926  
509-962-7508

## 2016 Lodging Tax Funds – General Information

Various municipalities within Kittitas County impose a lodging tax assessed on the sale or charge made for furnishings of lodging according to RCW 67.28.180 and RCW 67.28.181. In accordance with the tax and Washington State Law, Lodging Tax Advisory Committees may also be established by various jurisdictions. The committees' purpose is to advise and recommend to the legislative authority of the city or county how excise taxes on lodging should be allocated to support tourism which in turn generates revenue.

### **Uses According to Law:**

According to State Statute and the interlocal agreement between the Kittitas County and the Cities of Cle Elum, Ellensburg, and Roslyn, funds awarded under this process may be used for the following:

1. Tourism marketing;
2. The marketing and operations of special events and festivals designed to attract tourists;
3. Supporting the operations of tourism-related facilities owned or operated by nonprofit organizations described under 26 U.S.C Sec. 501 (c) (3) and 26 U.S.C. Sec. 501 (c) (6) of the internal revenue code of 1986, as amended.

### **Definitions included in state law which should be considered in any application requesting funding include:**

- (1) **Tourism** means economic activity resulting from tourists, which may include sales of overnight lodging, meals, tours, gifts, or souvenirs.
- (2) **Tourism promotion** means activities, operations, and expenditures designed to increase tourism, including but not limited to advertising, publicizing, or otherwise distributing information for the purpose of attracting and welcoming tourists; developing strategies to expand tourism; operating tourism promotion agencies; and funding marketing or the operation of special events and festivals designated to attract tourists.
- (3) **Tourism-related facility** means real or tangible personal property with a usable life of three or more years, or constructed with volunteer labor that is: (a) (i) Owned by a public entity; (ii) owned by a nonprofit organization described under section 501 (c) (3) of the federal internal revenue code of 1986, as amended; or (iii) owned by a nonprofit organization described under section 501 (c) (6) of the federal internal revenue code of 1986, as amended, a business organization, destination marketing organization, main street organization, lodging association, or chamber of commerce and (b) used to support tourism, performing arts, or to accommodate tourist activities.

### **Review Process:**

Cle Elum, Roslyn, Ellensburg, and Kittitas County have all agreed to collaborate in review of grant applications and awarding lodging tax funds for special events and festivals. Each municipality's committee or designees will review all complete applications, score them based on the information provided by the application, rank the applications, recommend any funding

awards, and forward the score sheets, ranking, and funding recommendations to Kittitas County.

County staff will compile the score sheets, rankings, and funding recommendations for further consideration by a county-wide Lodging Tax Advisory Committee (LTAC). The county-wide LTAC will be comprised of an equal number of members from each participating jurisdiction. The county-wide LTAC will receive the scoring, ranking, and recommendations list and will conduct a public meeting where each applicant which received a funding recommendation will have the opportunity to present their application and answer questions. The county-wide LTAC will publicly deliberate on the applications and the list to produce a final recommendation which will be forwarded to each participating jurisdiction's legislative authority for final action.

Scoring sheets which determine the overall ranking of applications are included in this packet for your reference and information. **Applications which do not receive an average minimum score of at least 50 points or who do not follow the submission instructions will not be eligible for funding.**

#### **Local Policy on Disallowed Uses:**

The Lodging Tax Advisory Committees have determined that certain types of activities are not eligible for funding awards even if they may be tourism related. These include anything affiliated with the following: prizes for contestants, resale items, food and drink, beautification, fundraising, and membership drives. This list should not be considered comprehensive and all funding recommendation decisions are at the discretion of the committees and subject to change by majority opinion.

#### **Application Definitions:**

Below is a list of terms and phrases which have specific meaning within this application. It may be helpful for you to review these as you prepare responses so that you have a better understanding of the reviewers' expectations.

**Date-specific** is an event or project which occurs over less than one month.

**Matching Funds** is the amount of funding your organization is contributing to the project or event. This includes both direct and indirect fund support. Direct funds can be in the form of cash funding from your organization or funding secured from elsewhere but dedicated to the project or event such as other grants, loans, donations, etc. Indirect funding support includes in-kind support like labor, volunteer support, supplies, and services which directly relate to the project or event, including those provided by your organization and others.

**New Projects/Events** are projects/events which are in the first four years of existence. For example, a proposal for a barbeque competition which is in its third year would be defined as a new project/event. Likewise, a project by an existing museum which expands its current offerings, or a specific new strategy for appealing to a different target market that is in its first year, would be considered a new project. Ongoing general marketing and advertising campaigns or general operational support requests for organizations/event which have existed for longer than four years are not defined as a new project/event.

**Ongoing Projects/Events** are defined as projects/events that have been established for more than four years. Applications that qualify under this definition may be awarded up to 10% of the project's/event's expense budget.

**Partnerships** are agreements between events/organizations/groups which enhance the overall project/event by providing additional value-added benefits or opportunities for attendees as well as the participating partners. For instance, as part of your event, you may have partnered with a local hotel or campground for a special group rate for overnight attendees. You may have also partnered with a local restaurant to provide a special meal discount or drink offer. You may have also agreed to refer your attendees to another event simultaneously occurring in another part of the county.

**Project Budget** is a written description of the complete budget for your project or event. It must include anticipated revenues, expenses, and any potential profit or loss.

**Seasonal** means a project or event which operates at least 1 month and up to 6 months, and during at least 2 seasons (Spring, Summer, Fall, Winter).

**Self-Sustaining** is being able to provide for your own needs without the assistance of grant funds.

**Supports County as a Tourism Destination** means including strategies within your proposal which will assist in attracting tourists to our County during times of the year other than for your project/event alone. This may include cross-promotion agreements with other projects/events, it may include active marketing of other projects/events at your project/event, it may include referring attendees directly to other tourist opportunities in the County, etc.

**Year-round** means a project or event is ongoing and actively working to attract tourists for at least 6 months, and at least 3 seasons (Spring, Summer, Fall, Winter).



## SUBMITTAL INSTRUCTIONS

Please return **ONE COPY** of the entire original application (including the cover sheet and instructions sheets) and answers to narrative questions to:

Kittitas County Commissioners  
Attn: Lodging Tax Grant Application  
205 West 5<sup>th</sup>, Suite 108  
Ellensburg, WA 98926

**Applications must be received no later than 5:00 p.m., Friday September 25, 2015 or postmarked no later than September 25, 2015.**

**Incomplete and/or late applications will not be considered. Applications may not be changed or amended by the applicant after the deadline for submission.**

### **Electronic Submissions:**

Applications may be submitted to the following email address: [bocc@co.kittitas.wa.us](mailto:bocc@co.kittitas.wa.us)  
Applications may be faxed to: 509-962-7679

### **Schedule:**

- Applicant Workshops (*attendance at one workshop is strongly encouraged*)  
Ellensburg City Hall Council Chambers      8/18/2015, 5:30 PM & 8/21/2015, 5:30 PM  
Upper Kittitas District Court, Cle Elum      8/11/2015, 5:30 PM & 8/13/2015, 5:30 PM
- **Application deadline**      **9/25/2015**
- **Oral presentations of proposals to county-wide LTAC**      **11/20/2015**
- Applicant Award Notification and fund availability      12/31/15

### **Project Management:**

Successful applicants shall be required, as a condition of the funding award, to enter into a contract. The agreement may include, but not be limited to, the specific amount of the award and what it may be used for, all reporting requirements associated with this funding, payment terms, and any and all other appropriate terms of the funding. Kittitas County will be the contracting agent for all approved projects. A condition of the grant award which includes funding from the City of Ellensburg may be that the MyEllensburg.com website be named on any organizational website.

All funds awarded under this program will be available in the form of reimbursable grants. The funds will be available for reimbursement beginning January 31 and ending December 31 of the calendar year immediately following award notification. Any unexpended funds will be returned to the Lodging Tax accounts from where they came and made available for re-appropriation. All requests for reimbursement shall be made to the Kittitas County Auditor's office at the following address:

Kittitas County Auditor  
Attn: Lodging Tax Grant Funds Reimbursement  
205 W 5<sup>th</sup>, Suite 105  
Ellensburg, WA 98926

For specific information and requirements regarding the reimbursement process, please contact the Auditor's office at 509-962-7504.

**Project Reporting Requirements:**

State law requires that all recipients of Lodging Tax revenues must submit a report to the municipality describing the actual number of people traveling for business or pleasure on a trip:

- A. Away from their place of residence or business and staying overnight in paid accommodations;
- B. To a place fifty miles or more one way from their place of residence or business for the day or staying overnight; or
- C. From another country or state outside of their place of residence or their business.

A report form will be provided as part of the contract for receiving funds. We ask that you provide this information within 60 days after your event is complete once you have critiqued your event.

In addition, any reports which are produced as a result of a grant award must be submitted within 60 days of completion as part of your project reporting requirements. This will provide evidence that the work paid for by the grant has been completed.

**Applicant Categories and Eligibility:**

Grants from lodging tax funds are provided for two types of applicants, New Projects/Events and Ongoing Event Support. An organization may only apply for funding from one category per year. The categories are defined as follows:

The **New Project/Events** category is for applications from events/projects which are within the first four years of existence. Applications may be considered in this category from established events (older than four years) which are proposing a new or expanded project designed to increase tourism as part of an ongoing event.

The **Ongoing Project/Event Support** category is for applications from established events (ongoing for more than four years) which may request continuing support. Grant awards are limited in this category to no greater than 10% of the event's expense budget. This category includes project/events which may be operating under a new board or organization, moving venues, changing dates, or implementing other non-substantial changes to a project/event which is ongoing for more than four years.

**Other Information:**

**Insurance:** As part of its contract for performance, a municipality may require contractors to maintain liability insurance in the amount of \$1,000,000 or more and name the municipality as an additional insured on its liability insurance policy.

**Application Form:** This packet will be available on the website of each participating municipality as a word document and as a pdf. It can also be obtained directly as a hard copy or in digital format by contacting the Kittitas County Board of Commissioners office at 509-962-7508. Website addresses where the application may be found are as follows:

- [www.ci.ellensburg.wa.us](http://www.ci.ellensburg.wa.us)
- [www.cityofcleelum.com](http://www.cityofcleelum.com)
- [www.ci.roslyn.wa.us](http://www.ci.roslyn.wa.us)
- [www.co.kittitas.wa.us](http://www.co.kittitas.wa.us)

**Grant Preferences:**

In the review of applications, the Lodging Tax Advisory Committee or designees will grant preference to those proposals which (1) increase tourism, and (2) demonstrate ability toward eventual self-sustainability. **Applications from not-for-profit organizations will be given preference over those from for-profit entities.**

**Guidelines and Requirements for Advertising Expenditures of Lodging Tax:**

**Branding**

Contractors who have been approved to utilize grant awards for advertising expenditures must incorporate Kittitas County and the appropriate City of Cle Elum, Ellensburg, or Roslyn tourism information as follows:

A. Websites and Social Media Sites must include the County's and appropriate City's tourism website logo with an operational link to the site(s). The logo must be displayed on the contractor's home page, it must be sized no smaller than ½ inch in height, and must be surrounded by appropriate white space to allow easy recognition and legibility. Contractors shall not change the logo(s) in color or appearance.

B. Print Advertising and Online Display Advertising of all types ( including but not limited to newspaper, periodicals, flyers, posters, billboards, direct mail, e-newsletters, third-party websites, streaming displays, etc.) must include the County's and appropriate City's tourism website logo. The logo must be sized no smaller than ½ inch in height, and must be surrounded by appropriate white space to allow easy recognition and legibility. Contractors shall not change the logo(s) in color or appearance.

C. Video Advertising of all types (including but not limited to television, online, electronic kiosks, motion billboards, etc.) must include the County's and appropriate City's tourism website logo. The logo must be size no smaller than ½ inch in height, and must be surrounded by appropriate white space to allow easy recognition and legibility. Contractors shall not change the logo(s) in color or appearance.

All logos and website information may be obtained by contacting the Director of Tourism, Kittitas County Chamber of Commerce.

## **Advertising Reimbursements**

Contractors seeking reimbursement from Lodging Tax Funds for advertising expenditures must adhere to the following guidelines and requirements for each type of advertising media utilized:

### **A. Print Advertising:**

1. Print advertising placed with any media provider which operates exclusively outside of Kittitas County may be reimbursed at 100% of the cost, including any production costs. To operate exclusively outside of Kittitas County, the provider must not be physically located in the County and/or not distribute any media within the County.
2. Print advertising placed with any media provider which operates inside Kittitas County may be reimbursed as follows:
  - a. For date-specific events, advertising the day of the event and up to 7 days prior to the event may be reimbursed at 100% of the cost, including any production costs.
  - b. For seasonal or year-round events, or for date-specific events outside of the time-frame in Section 2 A, (2)(a) above, advertising reimbursement requests must include a statement from the media provider specifying the percentage distribution to areas outside of Kittitas County. Reimbursements will be allowed for the amount distributed outside of Kittitas County, including any production costs.

### **B. Television Advertising:**

1. Television advertising placed with any media provider outside the Yakima/Kittitas DMA will be reimbursed at 100% of the cost, including any production cost.
2. Television advertising placed with any media provider inside the Yakima /Kittitas DMA will be reimbursed as follows:
  - a. For date-specific events, advertising the day of the event and up to 7 days prior to the event may be reimbursed at 100% of the cost, including any production costs.
  - b. For seasonal or year-round events, or for date-specific events outside of the time-frame in Section 2 B, 2(a) above, advertising may be reimbursed at the rate of 70% of the total cost, including any production costs.

### **C. Online Advertising:**

1. Online advertising and promotion may be reimbursed at 100% of the cost, including any production cost.
2. Streamed media (radio, television, other) requests for reimbursement must include a statement from the media provider specifying the percentage of recipients which are outside of Kittitas County. Reimbursements will be allowed for the percentage distributed outside of Kittitas County, including any production costs.

D. Direct Mail:

1. Direct mail advertising may be reimbursed at 100% of the cost, including any production cost, for each item mailed or shipped to a destination outside of Kittitas County. In order to receive reimbursement, a list of the addresses and a signed statement from the contractor that the list is accurate, or other proof of delivery, must be provided along with other required documentation.

E. Flyers/Posters:

1. Flyers or posters which are placed outside of Kittitas County may be reimbursed at 100% of the cost, including any production cost. In order to receive reimbursement, a list of the locations where flyers or posters were posted outside of Kittitas County and a signed statement from the contractor that the list is accurate must be provided along with other required documentation.

F. Radio Advertising:

1. Radio advertising placed with any media provider located outside of Kittitas County may be reimbursed at 100% of the cost, including any production cost.
2. Radio advertising placed with any media provider located inside of Kittitas County may be reimbursed as follows:
  - a. For date-specific events, advertising the day of the event and up to 7 days prior to the event may be reimbursed at 100% of the cost, including any production cost.
  - b. For seasonal or year-round events, or for date-specific events outside of the time-frame in Section 2 F, 2(a) above, advertising may be reimbursed at the rate of 30% of the total cost, including any production costs.

## APPLICATION FOR 2016 LODGING TAX GRANT FUNDING

Name of Organization: Kittitas County Historical Society, Inc.

Organization mailing address: 114 East Third Avenue  
Ellensburg, WA 98926

Organization contact person & title: Sadie Thayer, Director

Organization/contact phone: 509-925-3778

Email: kchm@kchm.org

Organization Website: http://www.kchm.org

Federal Tax ID Number: 91-6037783 UBI Number: 600-167-001

Organization is a (select one): ☐ Government Entity

☒ 501(c)3

☐ 501(c)6

☐ Other \_\_\_\_\_

(Note: you must submit 501(c)3, 501(c)4, or 501(c)6 approval documentation – see sample document-Exhibit A)

Project/Event Name: <sup>2016</sup> Kittitas County Historical Museum Advertisement and Outreach

Project/Event Date: January 1, 2015 - December 31, 2015

Project/Event Location: Kittitas County

Amount of Funding Requested: \$ 10,000

For which funding category do you qualify (check one) (see instructions for definitions):

☐ New Project/Event

☒ Ongoing Project/Event Support

Estimated # of overnight stays: \_\_\_\_\_

**Tourism Seasons:** From the list below, what season will your project enhance tourism? Please indicate the appropriate season.

### Season:

☒ Year-round

☐ Off season

☐ Shoulder season

☐ High season

### Months:

January – December

November – February

October or March – May

June – September

## APPLICATION QUESTIONS

Please answer each question completely, in the order listed, on a separate sheet attached to this application. Please include any supporting data within the response narrative.

1. Please provide a description of your project/event and identify the specific tourism audience/market that your organization will target with these funds. You must include an itemized list of exactly how any grant funds awarded will be utilized.
2. Please provide the following estimates of how any money received will result in increases in the number of people traveling for business or pleasure on a trip:
  - I. Away from their place of residence or business and staying overnight in paid accommodations;
  - II. To a place fifty miles or more away from their place of residence or business for the day or staying overnight; or
  - III. From another country or state outside of their place of residence or business.

You must provide the evidence utilized in determining your projections.

3. What tools will you use to measure your event's impact on tourism? Please be specific and provide examples. Include the following information:
  - I. Is your project/event year-round or is it seasonal or date-specific?
  - II. What strategies will you employ to assure you are attracting tourists from at least 50 miles away?
  - III. What strategies will you use to assist in marketing all of Kittitas County as a tourist destination with your event/project funding request?
4. Does your organization have, or have you applied for, grant funding from other sources? If not, why not? If yes, please list the available funding you have for the project, including any volunteer and in-kind sources, and/or the sources and amounts for which you have applied. Please note which funding sources are secured and in hand so a true matching fund determination may be determined. What changes would occur if the project couldn't be funded?
5. If your organization collaborates or has created partnerships with other organizations, other groups, or other events to cross-promote in an effort to encourage county-wide tourism, how is this accomplished?
6. Please explain what plans exist to allow this project to become self-sustaining. Include any plans for ticket sales, event sponsors, and other cost-recovery models.
7. **Additional information:** Provide any additional information which will assist the Lodging Tax Advisory Committee in evaluating your project and its benefit to tourism. Please limit any additional written information to one page and any other additional attachments to 3 pages. Regardless of how much additional information is included, only the first 3 pages will be provided to reviewers.
8. **Project Budget:** Please attach a copy of the complete budget for this project/proposal. If your agency operates independently of this project application it may not be

necessary to submit the entire agency budget. You must submit a budget which specifically pertains to the project/event for which you are requesting funding and adheres to the basic budget format shown below.

The budget must include anticipated revenues, expenditures, and any potential profit or loss. For projects/events which are ongoing for more than one (1) year, please also submit actuals from the previous three (3) years of operations for the project/proposal if applicable. Also, please supply any narratives necessary to understand the budget being submitted and list separately any in-kind or volunteer contributions.

For any claimed in-kind contributions valued at \$500 or more and related to marketing/advertising, you must submit verifying documentation which assures the contribution will be provided. For instance, if you are claiming in-kind contributions in the form of advertising match, a binding contract itemizing the matching value and obligating each party must be provided.

Please assure your budget, and actuals from previous years (if applicable), are in the following basic format:

Revenues:

- Cash
- Donations/Sponsorships
- Sales
- Vendor Fees
- Grants
- Etc.

Total Revenues

In-Kind Contributions:

- Volunteer Labor
- Donated Services
- Donated Materials
- Etc.

Total In-kind

Expenses:

- Venue
- Insurance
- Services
- Advertising
- Security
- Etc.

Total Expenses

Profit/Loss (Revenue less Expenses)



9. Has your event received Lodging Tax funds in previous years?

Yes X No \_\_\_\_\_

If yes, please list each year and the amount received for that year.

All applicants must also provide the following information regarding the event/project:

	Prior Year	Projected
A. How many participants and spectators attended last year's activity and/or will attend this year?	<u>~ 5520</u>	<u>10080</u>
B. How many days did/will your event occur?	<u>365</u>	<u>365</u>
C. How many room nights were and /or will be booked as a result of your project/event? <i>(You must provide a verifiable source of information as evidence for your response to item C. Failure to do so will disqualify your application. )</i>	<u>21</u> <del>21</del>	<u>22</u>

10. **Application Certification:**

The applicant here certifies and affirms: 1. That it does not now, nor will it during the performance of any contract arising from this application, unlawfully discriminate against any employee, applicant for employment, client, customer, or other person who might benefit from said contract, by reason of age, race, color, ethnicity, sex, religion, military status, sexual orientation, creed, place of birth, or disability; 2. That it will abide by all relevant local, state and federal laws and regulations and; 3. That it has read the information contained in the Instructions on pages 1 and 2 and understands and will comply with all provisions thereof.

Certified by: (signature)

(print name)

Title:

Date:

Sadie Thayer  
Sadie Thayer  
Director  
9/25/2015

## Lodging Tax Grant Application Rating Form

Criteria	Points Possible	Application Questions	Points Awarded
Supports County as Tourism Destination	15 yes = up to 15 No = 0	Question 2, 3, 5, 7	
Length of Impact	15 Date specific = 5 Seasonal = 10 Year Round = 15	Question 3	
Attracts Tourists from at least 50 miles away	15 yes = up to 15 No = 0	Question 3	
Applicant's Matching Funds	20 Less than 5% = 0 5% - 25% = 5 25% - 49% = 10 50% - 99% = 15 100% or more = 20	Question 4, 8	
Partnerships	5 Yes = 5 No = 0	Question 5	
Sustainable Future Funding Identified	10 yes = 10 No = 0	Question 6	
Attributable Lodging Stays	20 0 = 0 1-30 = 5 31-100 = 10 101-250 = 15 More than 250 = 20	Question 9	

Total Points: \_\_\_\_\_ / 100

## Applicant Checklist

*For applicant use prior to submission*

- ☒ My application title page states: Request for Proposals, **2016** Lodging Tax Fund.
- ☒ My application is for a new project/event and/or for an ongoing project/event as defined on page 2 of the application packet.
- ☒ I have attached proof of non-profit status if applicable which matches the sample document provided.
- ☒ I have included an itemized list in response to item 1 in the application of how any grant funds awarded will be utilized.
- ☒ I have attached additional information in response to item 7 in the application, if needed, which includes written information limited to one page and other attachments limited to three pages.
- ☒ I have attached a project budget, properly formatted according to item 8 in the application.
- ☒ If this event is ongoing for more than one year, I have also submitted actual financial data from the previous three years if applicable, formatted properly according to item 8 in the application.
- ☒ The application certification in item 10 is signed and dated by the proper authority.
- ☒ I have included one copy of the entire original application according to the submittal instructions on page 4.
- ☒ My application is being sent on or prior to **September 25, 2015** and will be delivered by **5:00 PM** either in person or electronically (email or fax) or postmarked on that date.
- ☒ My application is being delivered to:

**Kittitas County Commissioners**  
**Attn: Lodging Tax Grant Application**  
**205 W 5<sup>th</sup> Avenue, Suite 108**  
**Ellensburg, WA 98926**

Or, is being emailed to: **bocc@co.kittitas.wa.us**

Or, is being faxed to: **509-962-7679**

## Submission Checklist

### *For office use only*

Please mark "yes" or "no" to each criteria below:

- ☒ Applicant filled out the proper application version for this grant cycle.
  - ☒ Applicant answered each question.
  - ☒ A budget is attached which includes revenues, expenses and anticipated profit or loss (plus previous 3 years actuals for ongoing projects/events).
  - ☒ The applicant has signed and dated the certification statement required in item 10 of the application.
  - ☒ The application was submitted on time.
  - ☒ Proof of non-profit status is included (if applicable).
- Please date stamp the application and initial.

**Internal Revenue Service**

**Department of the Treasury**

District  
Director

P.O. Box 2350 Los Angeles, Calif. 90053

Applicant Name  
Applicant Address

Person to Contact:  
Gilda Lewis  
Telephone Number:  
(213) 894-2336  
Refer Reply to:  
EOO  
Date:  
May 16, 1995  
EIN: 91-

Dear Taxpayer:

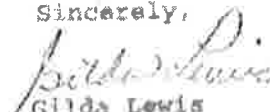
This letter is in response to your request for a copy of the determination letter for the above named organization.

Our records indicate that this organization was recognized to be exempt from Federal Income Tax in November 1987 as described in Internal Revenue Code Section 501(c)(3). It is a non-profit organization that is not a private foundation as defined in Section 507(c) of the code, because it is an organization described in Section 507(b)(1)(A)(vi).

The exempt status for the determination letter issued in November 1987 continues to be in effect.

If you need further assistance, please contact our office at the above address or telephone number.

Sincerely,

  
Gilda Lewis  
Disclosure Assistant