

**2018 LODGING TAX SERVICES AGREEMENT
BETWEEN KITTITAS COUNTY AND KITTITAS COUNTY CHAMBER OF COMMERCE**

This Contract, effective January 1, 2018 is made and entered into by and between KITTITAS COUNTY ("County"), a subdivision of the State of Washington, and KITTITAS COUNTY CHAMBER OF COMMERCE ("Contractor") for the Tourism Entrepreneurship Program-Connecting with the Tourism Industry.

WHEREAS, the purpose of this Agreement is to provide for activities and expenditures designed to increase tourism,

NOW THEREFORE, in consideration of the terms and conditions contained herein, or attached and incorporated and made a part hereof, the County and the Contractor mutually agree as follows:

Section 1. Scope of Work.

- a. Contractor shall provide the services and staff described in its **Application for Lodging Tax Funds** submitted to the Lodging Tax Advisory Committee, attached hereto as **Exhibit "A"** which is attached hereto and incorporated herein by this reference.
- b. Except as otherwise specifically provided in this Agreement, Contractor shall furnish the following as required to perform the services, described in Paragraph (a) above, in accordance with this Agreement: Personnel, labor and supervision; technical, professional and other services. All such services, property and other items furnished or required to be furnished, together with all other obligations performed, or required to be performed, by Contractor under this Agreement are collectively referred to herein as "Services."
- c. Contractor shall commence, perform and complete such Services in accordance with **Exhibit "B"** which is attached hereto and incorporated herein by this reference.

Section 2. Payment.

- a. As full compensation for satisfactory performance of the Contractor's Services, the County agrees to pay Contractor the sum of twenty one thousand, two hundred dollars (\$21,200.00). Lodging Tax Group requested a summary report that tracks progress concerning participants before & after.
- b. Additional payment terms: The County will make payment to the Contractor only on a reimbursement basis, as receipts/invoices for any items including marketing and/or advertising are submitted to the County, not to exceed the sum of twenty one thousand, two hundred dollars (\$21,200.00). Lodging Tax Group requested a summary report that tracks progress concerning participants before & after.
- c. Services/Expenses that are reimbursed must be dated during the current year and final date to submit reimbursements requests is January 15, after this date funds lapse.
- d. Requests for reimbursements must be submitted to:

Kittitas County Auditor
Attn: Auditor's Accounting
205 West 5th Ave – Suite 105
Ellensburg, WA 98926

auditorsaccounting@co.kittitas.wa.us

- e. Reporting requirements of your events will be required on prescribed forms from the County Auditor.
- f. Contractor is eligible to claim reimbursement for the following items and amounts only:
 - Development of Collateral Materials
 - Printing & Copying –materials, brochures, workbook
 - Website Updates – creation of pages, content, etc.
 - Facility Rentals
 - Speaker Fees and Travel expenses
 - Marketing and Advertising – Digital Only
 - Strategy Plans – surveys, studies, etc.
 - Administration Overall Program
- g. Contractor is not eligible to claim reimbursement for any items not listed in Section 2 (f) and is further expressly denied funding for the following items as requested in the application as defined in Section 1(a): N/A
- h. Contractors requesting reimbursement for event-specific expenses shall submit all claims as no more than two reimbursement requests with supporting documentation.
- i. ** Contractors must complete the Lodging Tax Reimbursement online training course provided by the County Auditor's office prior to filing reimbursement claim. Requests for reimbursement will not be accepted by the County Auditor prior to the training being completed. The training may be found online at the Kittitas County Auditor's website at the following address: <http://www.co.kittitas.wa.us/auditor/default.aspx>

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Section 3. Performance by Contractor.

- a. Contractor shall not (by contract, operation of law or otherwise) delegate or subcontract performance of any Services to any other person or entity without the prior written consent of the County. Any such delegation or subcontracting without the County's prior written consent shall be voidable at the County's option.
- b. Contractor shall at all times be an independent contractor and not an agent or representative of the County with regard to performing the Services. Contractor shall not represent that it is, or hold itself out as, an agent or representative of the County. In no event shall Contractor be authorized to enter into any Agreement or undertaking for or on behalf of the County. It is understood that the Contractor and the Contractor's staff and employees are not employees of the County and are not, therefore, entitled to any benefits provided employees of the County.
- c. Contractor shall comply with all applicable laws, ordinances, rules, regulations, orders,

licenses, permits, and other requirements, now or hereafter in effect, of any governmental authority (including, but not limited to, such requirements as may be imposed upon the County and applicable to Services). Contractor shall furnish such documents as may be required to effect or evidence such compliance. All laws, ordinances, rules, and orders required to be incorporated into agreements of this character are incorporated into this Agreement by this reference. Contractor agrees to obtain all required licenses and permits, and further agrees to keep them in full force and effect during the term of this Agreement.

- d. The County and the Contractor agree that in fulfilling the terms and conditions of this Agreement neither shall discriminate on the basis of race, creed, color, national origin, age, sex, marital status, or the presence of a physical, sensory, or mental handicap.
- e. The Services shall at all times be subject to inspection by and approval of the County, but the County's making (or failure or delay in making) such inspection or approval shall not relieve Contractor of its responsibility to perform the Services in accord with this Agreement, notwithstanding the County's knowledge of defective or non-complying performance, or the substantiality or ease of discovering the same. Contractor shall provide the County with sufficient, safe, and proper facilities and equipment for such inspection and free access to such facilities.
- f. This contract is subject to review by any Federal or State auditor. Contractor shall promptly furnish the County or its designee, or such Federal or State auditor with such information related to the Services as may be requested by the applicable governmental entity. Contractor shall preserve and maintain all financial records and records relating to performance of Services under this Agreement for six (6) years after contract termination. For such duration after the County makes final payment of compensation due hereunder, Contractor shall provide the County access to (and the County shall have the right to examine, audit and copy, with or without notice) all of Contractor's books, documents, papers and records related to the Services or this Agreement.
- g. Contractor understands and acknowledges that Contractor is solely responsible for its own reporting and accounting of all state, federal, social security, and local taxes, of every nature, arising from Contractor's performance of this Agreement. All compensation received by the Contractor will be reported to the Internal Revenue Service at the end of the calendar year in accord with the applicable IRS regulations.

Section 4. Release, Indemnity, and Hold Harmless.

The County assumes no liability for the Contractor's actions under this Agreement. Contractor releases and shall defend, indemnify, and hold harmless the County, its officers and employees, agents, representatives, attorneys and/or volunteers, from and against all claims, costs, liabilities, damages, and expenses, (including, but not limited to, reasonable attorney fees) which arise or may arise or be alleged to arise out of or by reason of this Agreement including:

- Any fault, negligence, strict liability or product liability of Contractor in connection with the Services for this Agreement;
- Any lien asserted upon any property of the County in connection with the Services for this Agreement;
- Any failure of Contractor, or of the Services, to comply with any applicable law, ordinance,

rule, regulation, order, license, permit and other requirement, now or hereafter in effect, of any governmental authority; or

- Any breach of or default under this Agreement by Contractor.

Section 5. Compliance with Public Records Law.

- a. In compliance with Washington's public records law, the County will retain copies of any documents associated with this Agreement, which may be required by law unless legally exempt from such retention, for any applicable legally required retention period.
- b. In the event a public records request is made to the County for documents created in relation to this Agreement, should legal uncertainty arise regarding the disclosability of any documents under federal or state public records laws, the County shall provide notice to Contractor pursuant to Washington's public records act, chapter 42.56 RCW, to allow Contractor to seek a court injunction.
- c. The County specifically shall not be liable to Contractor for the County's release under public records laws of any documents not protected by trademark, copyright or other law.

Section 6. Industrial Insurance Waiver.

With respect to performance of this Agreement and as to any claims against the County, its Additional Insureds, officers, agents and employees, the Contractor expressly waives its immunity under Title 51 of the Revised Code of Washington, the Industrial Insurance Act, for injuries to Contractor's employees and agrees that the obligations to indemnify, defend and hold harmless provided in this Agreement extend to any claim brought by or on behalf of any employee of the Contractor. **This waiver is mutually negotiated by the parties to this Agreement.**

Section 7. Insurance and Endorsements.

- a. The County may require through a request in writing that the Contractor provide the County with a certificate, binder, or policy of liability insurance, acceptable to the County in an amount specified by the County.
- b. Such liability insurance shall be such as will protect Contractor, its employees, agents and representatives, from all claims, losses, harm, costs, liabilities, damages and expenses arising out of personal injury (including death) or property damage that may result from performance of the Services or this Agreement, whether such performance is by Contractor or any of its employees, agents or representatives.
- c. Should the County require such liability insurance, the Contractor agrees to provide proof of insurance prior to commencing performance of this Agreement.
- d. Copies of the County's written request and the insurance documents provided by Contractor shall be attached to this Agreement and by this reference will be made part hereof.

- e. Where insurance is requested by the County, all liability insurance policies shall be endorsed to include the County as an Additional Insured and shall stipulate that the insurance afforded by the policies shall be primary insurance, and that any insurance, self-insured retention, deductibles, or risk retention trusts maintained or participated in by the Parties shall be excess and not contributory to any other insurance maintained by the County. Contractor shall furnish the County a certificate of insurance with Endorsement as evidence that the required policies are in full force and effect.

Section 8. Termination.

The County may, by written notice thereof to Contractor, terminate this Agreement as to all or any portion of the Services not yet performed, whether or not Contractor is in breach or default. Upon receiving such notice of termination, Contractor shall, except as otherwise directed by the County, immediately stop performing the Services to the extent specified in the notice. In the event the County terminates the Contractor's Services, the Contractor is obligated and hereby agrees to refund to the County all monies paid for Services not yet rendered by the Contractor, if any, as of the date of the notice of termination.

Section 9. Miscellaneous.

- a. Contractor shall not (by contract, operation of law or otherwise) assign this Agreement or any right or interest in this Agreement without the County's prior written consent.
- b. This Agreement embodies the entire Agreement between the County and Contractor, and supersedes any and all prior oral or written communications, proposals, conditions, promises, representations, or understandings regarding the Services. No change, amendment or modification of any provision of this Agreement shall be valid unless set forth in a written amendment to the Agreement signed by both parties.
- c. Notice for any purpose under this Agreement, except service of process, shall be given by the Contractor to the Kittitas County Commissioners and the Kittitas County Auditor, 205 W. 5th Ave. Ste. 108, Ellensburg, WA 98926. For all purposes under this Agreement, any notice by the County to the Contractor shall be given to the Contractor's address provided on the signature page. Notice may be given by delivery or by depositing in the U.S. Mail, first class, postage prepaid, certified mail, return receipt requested.
- d. The section and paragraph headings of this Agreement are for reference convenience only and are not intended to restrict, affect or be of any weight in interpreting or construing the provisions of such sections or paragraphs.
- e. This Agreement may be executed in one or more counterparts and by facsimile, each of which will be deemed an original, but all of which together will constitute one and the same instrument.
- f. Contractor warrants to the County that the individual signing on Contractor's behalf has the requisite power and authority to enter into and to perform Contractor's obligations under this Agreement. Contractor further warrants to the County that Contractor has made no misrepresentation or misleading statement in connection with this Agreement, and is not in

violation of any applicable law, ordinance, or regulation the consequence of which will or may materially affect Contractor's ability to perform its obligations under this Agreement.

- g. If any term or condition of this Agreement or the application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect the other terms, conditions or applications which can be given effect without the invalid term, condition or application. To this end, the terms and conditions of this Agreement are declared severable.
- h. The exclusive venue for any action brought to enforce this Agreement or any of its terms shall be in Kittitas County, State of Washington.

KITTITAS COUNTY

BOARD OF COUNTY COMMISSIONERS

Chair

Vice Chair

Commissioner

ATTEST: _____
_____, Clerk of the Board

APPROVED AS TO FORM:

Deputy Prosecuting Attorney

CONTRACTOR

[Print Name]

[Address]

[Telephone]

CLTAC: Application for Lodging Tax Grant Funding

Grant Application Workshop - 2017 *

Did you attend the Grant Application Workshop - 2017 hosted by the Kittitas County Chamber of Commerce?

- ☒ Yes
☐ No

Submittal Instructions & General Information *

- ☒ Yes,
I have read and understand Submittal Instructions and General Information for the 2017 Lodging Tax Grant Funding Process

You are strongly encouraged to compose your responses to the questions of this form with a desktop text editor and save your work, then copy and paste the information into the form. You may also save a draft by selecting the button at the bottom of this page. When you do this you will be logged out and must log back in to continue. In order to save a draft you will need to provide an email address and a password. After completing the save draft, you will be redirected to landing page containing a link to log back into the form. We suggest you save this link as a bookmark. The link will also be sent to you in an email.

Organization Information

Name of Organization * KITTITAS COUNTY CHAMBER OF COMMERCE

Organization Address * Street Address

609 N MAIN STREET

Address Line 2

City

ELLENSBURG

State / Province / Region

WA

Postal / Zip Code

98926

Country

USA

Website

WWW.KITTITASCOUNTYCHAMBER.COM

Federal Tax ID # *

91-0210430

UBI # *

601-133-921

Organization is a: *

- ☐ Government Entity
☐ 501(c)3
☐ 501(c)4
☒ 501(c)6
☐ Other :

(Note: you must submit 501(c)3, 501(c)4, or 501(c)6 approval documentation.)

[Click here to view sample documents \(redacted\).](#)

Upload Proof of

proof of nonprofit.pdf

34.72KB

Organization Status *

Acceptable file formats include: JPG, PDF or TIFF.

Contact Information

First Name *

AMY

Last Name *

MCGUFFIN

Phone Number* 509-925-2002

Email* AMY@KITITASCOUNTYCHAMBER.COM

Project or Event Information



Project/Event Name* TOURISM ENTREPRENEURSHIP PROGRAM - Connecting with the Tourism Industry

Event Dates

Please provide any specific dates, or range of dates, on which your event or project will be held. You may add as many dates or date ranges as necessary.

Start Dates* End Dates

1/1/2018 12/31/2018

Project/Event Location* COUNTY-WIDE

New or Ongoing Project/Event?* ☐ Ongoing Project/Event (More than four years in existence)
☒ New Project/Event (Four or fewer years in existence)

Amount of Funding Requested* \$ 21200.00
If you selected "Ongoing Project/Event" above this amount may not exceed 10% of the total expense budget of this project.

Tourism Seasons* From the list below, what season will your project enhance tourism? Select any which apply.

☒ Year-round (January - December)
☐ Off Season (November - February)
☐ Shoulder Season (October or March - May)
☐ High Season (June - September)

Application Questions: Part 1



Please answer each question completely, in the order listed. Please include any supporting data within the response narrative.

1| Project/Event Description

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.**

Response 1:
Project/Event
Description *

Kittitas County has been very successful in expanding tourism, yet County businesses still lack basic planning principles to make better informed decisions - that can increase the odds of developing a successful tourism business that impact the community economically. Connecting with the tourism economy is the first Lodging Tax project to address this critical yet overlooked component of tourism. While, reference is made to "tourism businesses" in this program, the same basic business planning have relevance to non-profit organizations undertaking tourism development projects (e.g., local museums, interpretive centers). The TOURISM ENTREPRENEUR PROGRAM will assist new and experienced entrepreneurs to develop a business concept. Central Washington is an established four-season destination with much to offer. Kittitas County is part of an tourism industry that is growing at Eight per cent average - one of the fastest growing industries in the county. While tourism is a mature industry in Kittitas County, there remains tremendous potential for new development and services to entice tourists to the Central Washington. After all, if businesses know who tourists are and what they seek, services and products will better enhance the visitor experience. The common objective of both government and industry is to meet the needs and exceed the expectations of visitors through market-driven tourism development. The TOURISM ENTREPRENEUR PROGRAM is intended to support entrepreneurs in doing exactly that.

The Tourism Entrepreneur Program is a 4-session training program that covers:

THE MARKET

Kittitas County's Visitors

Demographics

What draws them to Kittitas County

Where/on what do they spend money?

What do they find missing?

THE BUSINESS OPPORTUNITY

Positioning for Tourism

The tourism business plan

Business aesthetics and presentation

Finding a unique niche

Riding the trends (and when to get off)

HOW TO REACH YOUR VISITOR SEGMENTS

Marketing

Keys to reaching the tourism demographic

Framing a campaign

Media options

Successful inexpensive marketing

When to use a professional

Tracking: why and how

MANAGEMENT AND OPERATIONS

Strategic Planning

Anticipating ever-changing tourism trends

Preparing for the off-season

Speed bumps: highway construction, fire, floods

(see additional information for expanded market, etc)

2500 character limit

List of Intended Use of Funds *

Development of Collateral Materials

Printing & Copying - materials, brochures, workbook

List of Intended Use of Funds*

Website updates - Creation of pages, content, etc

Facility Rentals

Speaker Fees and Travel expenses

Marketing and Advertising - Digital Only

Strategy Plans - surveys, studies, etc

Administration Overall Program

2| Projections of Increased Tourism

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:

1. Away from their place of residence or business and staying overnight in paid accommodations;
2. To a place fifty miles or more away from their place of residence or business for the day or staying overnight;
3. or from another country or state outside of their place of residence or business.

You must provide the evidence utilized in determining your projections.

Response 2.1:
Projection*

1. Away from their place of residence or business and staying overnight in paid accommodations;

A major goal for the chamber is to assist the local businesses to entice visitors to spend more time and money county-wide. This will create and market new and enhanced authentic Central Washington tourism experiences in all regions of Kittitas County. Aligning our tourism system and all its parts to create value for the traveler, will poise the area for additional overnight growth. Encouraging entrepreneurial investment in traveler-focused development of innovative tourism experiences, destination renewal, and new destination areas, will diversify the local economy and will see an increase in visitors including overnight paid accommodations. For that reason, we believe the best measure for evaluating the Chamber's success in retaining and developing new business and contributing to economic impact is by looking at the overall totals of all activities including lodging tax, retail tax, etc.

Product Development will be fostered. Destination Marketing will be research-based, traveler-focused, creative, and innovative that grows interest in destination experiences in Central Washington, providing the platform to grow visitation. Increased Visitation equals great experiences stimulate word-of-mouth advertising, social networking, and expectation of even better experiences.

Total Hotel Visitation has increased over the past 3 years with just destination marketing. (STAR Report provided by Director of Tourism) 2015 was a .6% change in hotel demand, 2016 saw a 4.3% increase and current year to day in 2017 we are seeing a 4.7% change in hotel demand. Continuing with 1 of the 3 above goals of this program we can estimate a continued 3-5% growth. We would anticipate a longer term benefit to the communities by ensuring the other 2 goals to be developed and implemented.

2500 character limit

Response 2.1:
Evidence *

Kittitas County Direct Travel Impacts have been on a rise since 2000. Total visitor spending is estimated by Dean Runyan to the tune of 177.7 million which is a 3.8% increase year over year. We look further into the report by Dean Runyan Associates we see visitor spending in accommodations alone were 148.2 million in the year 2015. This including the vacation homes, campground usage, and private home use.

Tourism in Kittitas County is a 251.85 million industry in 2017, it employs 2,514 people which includes all full and part-time employment and proprietors.

*Source: Bureau of Economic Analysis and Bureau of Labor Statistics. Estimates by Dean Runyan Associates.

Current hotel accommodation demand is 165,672 rooms sold based on the Smith Travel Report 08/2017.

On overnight trips, Americans most enjoy: dining at restaurants that offer local ingredients and recipes(57%), shopping for clothing , shoes or jewelry (48%), visiting casinos(34%) or amusement parks(33%), and strolling around a city to observe its buildings and architecture(33%). *Travel Activities and Motivations of US Residents: An Overview"based on a survey of Canadian and American travelers in 2006.

2500 character limit

Response 2.2:
Projection *

2.To a place fifty miles or more away from their place of residence or business for the day or staying overnight; Regardless if day or overnight, it is important to recognize that tourism businesses provide EXPERIENCES. While tourists do purchase products (souvenirs, meals) and services (transportation), their major purchase is that of an experience. Because the tourist's primary motivation is to acquire a memorable experience, you must describe your product, visitors and competition in terms of the experience provided, in fact, to preserve this distinction, this program will strive to not talk about customers, but rather visitors.

Out of this central concept comes many of the unique things about tourism that entrepreneurs must embrace. These include:

Seasonality of demand: high and low seasons.

The weather - always unpredictable.

Changing trends in the market.

Varying expectations of visitors.

High fixed costs, such as property, land and equipment, may require large up-front investment.

Single-use nature of assets: accommodation facilities in particular - but the creative entrepreneur may identify others.

2500 character limit

Response 2.2:
Evidence *

Tourism business can be categorized as lifestyle businesses or growth businesses. Lifestyle businesses are primarily created for personal reasons - the main focus is not necessarily on profit but sustaining the owner's lifestyle. Growth businesses, on the other hand, are primarily built for profit. Most tourism businesses that offer an experience also sell a product or provide a service, and this can grow over time. Secondary activities are influenced not only by what happens in the tourism industry, but by development in other industries.

We assume that 1 of the 3 attendees/spectators of festivals/events that occur in our communities will return home at night. Therefore, these visitors would provide direct spends in tourism businesses such as food services, Arts, Entertainment, Retail and local transportation such as gas.

This program will position the participating businesses with starting inventory, knowledge and tools to track the increased visitor satisfaction, product sold, which will lead to a higher number of return visits, and word-of-mouth marketing that can the decision making for increased overnight stays.

It is documented in the travel indicators by Dean Runyan, visitor spending by day travelers has an 29.6 million impact to Kittitas County in 2015. We estimate a 3% increase year over year of the program.

2500 character limit

Response 2.3:
Projection *

3. or from another country or state outside of their place of residence or business.

This project will increase visitor numbers substantially by giving County businesses the knowledge and tools to better position themselves for the tourism economy. As a result, businesses will offer inventory and aesthetics that appeal to visitors, enhancing the overall tourist experience. This increased visitor satisfaction will lead to a higher number of return visits, and word of mouth will lead to more visitors in general.

Assuming the above leads to a modest 3% increase in tourist numbers, we will use Facebook the world's most influential social media platform, with over one billion users worldwide. There is a good chance that our area visitor segments are on Facebook. Facebook has a large demographic that is 35 years old and older. With Facebook and LinkedIn, Twitter is on of the top three used social media platforms. It is a a social networking and interactive micro-blogging service. This 'on-the-go' feature makes Twitter a popular social media platform for the tourism and hospitality sectors. TripAdvisor travel site has had a mixed reception because it relies on visitor ratings, or word-of-mouth marketing to rank tourist-related services. It leverages the trust factor, one of the most powerful forms of advertising. A blog is simply an area on your website where you regularly add new information. The information could be written articles, photos, and videos. Blogging is not particularly difficult - the challenge is to keep it concise, information and interesting.

With this social networking and marketing, all of which would be pushed not only with in the state but in other areas including Oregon, Idaho, Utah, Montana, and Canada.

2500 character limit

Response 2.3:
Evidence *

With all of the above mechanisms mentioned, we would use Google Analytics to measure and analyze the number of people visiting our site, how they found our site, and what they do when they visit our site. This is where a bulk of our projections will be followed as for the increase of tourism information: landing pages, time on website, etc. But it will also allow us to follow the purchases of the products that are available from the participating business through online cart options.

2500 character limit

Application Questions: Part 2



3| Measuring Results

What tools will you use to measure your event's impact on tourism? Please be specific and provide examples. Include the following information:

A. Is your project/event year-round or is it seasonal or date-specific? Go to definitions of terms.

B. What strategies will you employ to assure you are attracting tourists from at least 50 miles away?

C. What strategies will you use to assist in marketing all of Kittitas County as a tourist destination with your event/project funding request?

Response 3:

Measuring Results *

What tools will you use to measure your event's impact on tourism? Please be specific and provide examples.

Businesses participating in the program will be required to share before/after data on their visitor-related business volume (most likely anonymously). After backing out the yearly increase/decrease in overall tourism, any increase greater than that average can be assumed to be a result (at least to a significant extent) of participation in the program. For example, if a business sees a 10% increase in tourist customers and the general tourism increase for the year is 7%, it can be assumed that the 3% difference results in some significant part from participation in the program.

Additionally, we would use Google Analytics to measure and analyze the number of people visiting our site, how they found our site, and what they do when they visit our site. This is where a bulk of our projections will be followed as for the increase of tourism information: landing pages, time on website, etc. But it will also allow us to follow the purchases of the products that are available from the participating business through online cart options.

Unlike radial and drive time studies that use arbitrarily chosen boundaries for customer trade zones, the market definition exercise for the county will be based on zip code surveys completed by cooperating merchants. Zip code surveys have their own limitations, since zip code geographies can be fairly large and stretch beyond typical market boundaries. However, it is the only technique that correlates clearly with customer traffic collected by merchants. Recorded zip codes are used to define a primary trade area, which is then analyzed in terms of demographics and economic activity.

Two zip code surveys will be conducted in the county in order to understand the market dynamics of the communities. Merchants will be provided with a form to record customer zip codes and asked to keep the log for all customers during a ten-day period.

Digital surveys will be conducted in collaboration with the Tourism Department to provide user data and overall visitor experience in the County.

2500 character limit

Response 3 A:

Measuring Results *

A. Is your project/event year-round or is it seasonal or date-specific?

☒ Year Round

☐ Seasonal

☐ Date Specific

Your selection here should be supported by the dates you provided above, in the Project or Event Information section.

Response 3 B:
Measuring Results *

B. What strategies will you employ to assure you are attracting tourists from at least 50 miles away?

With this program there will be several strategies we will employ to assure attracting tourists; Operational Plans, considering the physical necessities of the operations, such as location, facilities, and equipment. Also considering inventory, suppliers, partnerships. Staffing/Recruitment. Tourism is a service-oriented industry, dependent on the ability to provide excellent service. Financial planning to ensure the businesses in this program understand lifestyle or growth business investment. We will be reviewing business goals and objectives; projecting sales, visitor segments, and revenue streams. Marketing Approach including the analysis of the market, trends, competition and identification of visitor segments. It will also highlight sales and promotional strategy.

During the year-round program, self-assessment checklists will be provided so we can continue the strategies throughout the program and after.

Businesses participating in the program will be required to share before/after data on their visitor-related business volume (most likely anonymously). After backing out the yearly increase/decrease in overall tourism, any increase greater than that average can be assumed to be a result (at least to a significant extent) of participation in the program. For example, if a business sees a 10% increase in tourist customers and the general tourism increase for the year is 7%, it can be assumed that the 3% difference results in some significant part from participation in the program.

2500 character limit

Response 3 C:
Measuring Results *

C. What strategies will you use to assist in marketing all of Kittitas County as a tourist destination with your event/project funding request?

An important benefit of the program is the educational aspect for business owners, who'll learn the breadth of the county's tourism economy as well as its tourism attractions. For example, a Roslyn business that participates will also learn of Ellensburg events and attractions. This information can then be conveyed to visitors by the business ("You're visiting Ellensburg? Be sure to visit the Historical Museum on Third Avenue"). Businesses will also learn of the county's substantial tourism resources such as centralwashingtoncolor.com, myellensburg.com, and discovercleelum.com. In this way each participating business becomes a promoter of the broader tourism economy.

Also, as mention above co-operative nature of competition: businesses often work collaboratively with others to promote their destination and business - especially if it offers something unique or if demand exceeds availability.

Within the program we will go over marketing and include this topic:

RAISE AWARENESS - for most tourism businesses, an online presence and website are essential. Websites can be one of the most effective ways of reaching visitors. It should reflect the personality of the business, and clearly describe what you have to offer. Visitors navigate throughout the site and can find additional county information including photos, video, etc. Providing links to major tourism sites will be complimentary to the region. Social media cannot be ignored. If you are offering a tour or other experience, it is very likely someone has written about the business. Social media allows the business to view what visitors think about your business and the local area. Over time, a business in this program will suggest the county and all of its offerings. Brochures can reach visitors, but also help with the overall activities offered county wide. Promotion within the communities will make sure the business is well-known and can provide referral and support with other business in the county. Lastly, Partnerships. Cooperative promotional efforts will be reviewed in the program. Involving specific complimentary tourism businesses and/or the establishment of destination marketing for Central Washington in a whole. The businesses will benefit from the pooling of marketing resources, which allows the packaging of tourism product experiences which appeal to our target market mention earlier.

2500 character limit

Application Questions: Part 3



4| Collaboration

If your organization collaborates or has created partnerships with other organizations, groups, or other events, how is this accomplished?

Collaboration *

With the program, Key Partnerships will be a topic for success. The value of partnerships depends on the nature of your visitor segment and the type of business your are operating. A common feature is being part of a value chain of different services and product that target the same visitor segment. A range of partnerships is possible: Simply having links to other websites on your website. Resource pooling- where you share a channel to promote different offerings to the same visitor (e.g. tourism websites). Bundling - where you bundle different services together to sell to the visitor. (e.g. hotel packages with dinner and a movie)

We will go over related partnerships such as media tours and "fam tours", which familiarize tour operators, travel trade and media with tourism offerings. Given that Kittitas County offers unparalleled diversity, yet is known for only a relatively few iconic attractions, these tours - and those by receptive tour operators- offer significant potential to reaching new visitors.

The program will use a variety of presenters, including existing successful tourism-related businesses and organizations, hosts of successful events, and professionals such as marketers and graphic designers.

2500 character limit

5| Future Plans

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.

Future Plans *

The Kittitas County Chamber of Commerce is contracted to promote Kittitas County as a destination of choice. Increasingly, we do this through the voices of our travelers - our most authentic advocates. We have developed customer brand awareness and work to maximize return on investment of public dollars from tourism marketing and development. As we move forward, we focus on two fronts: shifting perceptions of Central Washington, and engaging today's digitally connected traveler at the right time and place. This application is the first step to the shifting perception. Competition in tourism has never been more aggressive, and it's critical that we work on assisting new and experienced entrepreneurs to develop a thriving tourism business sector.

Our hopes with the initial program that we see the increase in tourism not only in overnight paid stays but throughout all visitor spending. The tourism framework of this program will renew the partnership between the public and private sectors to ultimately drive more economic development across the county. It is a shared responsibility to develop and secure sustainable growth- too demanding a task for any single entity to accomplish alone.

Central Washington's tourism experience must resonate with travelers - the travelers who want to be inspired by authentic Central Washington experiences that cannot be found anywhere else. It is our challenge as a tourism industry to create and market those experiences.

The participating businesses and the experts providing the program and its teaching will continue reviewing the program and its possible pitfalls but most importantly successes. This review will provided better planning to allow this project to become viable throughout the county.

Our priorities for this project are as follows: Innovation and Development. Accessibility. Marketing. Alignment. Research. and Collaboration.

2500 character limit

Application Questions: Part 4



6| Additional Information

Provide any additional information which will assist the Lodging Tax Advisory Committee in evaluating your project and its benefit to tourism.

Additional Information The TOURISM ENTREPRENEUR PROGRAM will have two primary target groups: Free Spirits and Cultural Explorers.

"FREE SPIRITS" are Central Washington's primary target market outside of Kittitas County. This segment is receptive to marketing/advertising messages. They are significantly more likely to visit many locations in a single trip, and share their travel experiences, both online and offline.

Free Spirits come from all demographic groups (age, income, education) and represent 13 per cent of global travel markets. They are youthful adventurers that come from all over the world, and they are also represented in Central Washington's domestic and regional markets. They research their travel destinations, seek trustworthy marketing sources, and plan trip itineraries around top 10 or "best of" lists.

"CULTURAL EXPLORERS" represent 12 per cent of global markets. They are always planning for their next trip and are likely to travel with friends and family. They want to immerse themselves in the culture, people and setting of the places they visit. They enjoy the history, but also look to experience modern culture. Prior to every trip, they research their destination to better understand it, and once they are there, they prefer to let things unfold spontaneously. They want their trips to go beyond just seeing the tourist sites, so they strive to leave the beaten path and explore out-of-the-way places. As such, they are considered most likely to visit rural locations in Washington State.

2500 character limit

Supporting Documents You may upload any supporting documents such as graphs, images, diagrams, marketing materials, etc.
You are allowed to submit up to 3 single page (US Letter) documents in JPG, PDF or TIFF format

7| Previous Lodging Tax Grant Information

Previous Years Has your event received Lodging Tax funds in previous years?
Awarded Lodging Tax Grants* ☒ No, this event/project has not previously received Lodging Tax Funding.
☐ Yes, 1 year previous
☐ Yes, 2 years previous
☐ Yes, 3 or more years previous

How many participants and spectators attended last year's activity and/or will attend this year?

Prior Year*	Projected*
0	20

How many days did/will your event occur?

Prior Year*	Projected*
0	6

How many paid overnight stays were and/or will be booked as a result of your project/event?

Prior Year*	Projected*
0	4,746

Paid Overnights' Data Support

Explain how the room nights data above from the prior year was collected and how the projection for the next year is derived. (For example, if there was a survey conducted for the prior year, explain the methodology. For the projections, what are they based upon and how is that basis justified?)

Prior Year Paid
Overnight's Stay
Response *

STAR report shows that the 2016 demand of hotel accommodation is 158,197 rooms. Using just that number for the following projection; we feel that this program will support tourism experience gaps and weaknesses, address specific market needs, and enhance tourism products and experiences provided to the traveler we would stay with current trend of a 3% increase. That would then provide an additional 4,746 rooms sold throughout 2018. This program is being developed to provide assistance to new and experienced tourism related businesses; tourism is an economic platform, not a single sector. The county has identified in the their Tourism Plan the potential growth to diversify the local economy. Festivals and events, Ag-Tourism, and Nature-based Tourism. Tourism can enhance our reputation and awareness regionally and internationally. Tourists are potential investors and can become valuable ambassadors for business development.

2500 character limit.

Prior Year Paid
Overnight Stay Data

In addition to field above, you may upload the evidence to support the prior years' roomnight information.

You may upload up to three single pages (US Letter), of information. If you a single multi-page document, only the first three pages will be considered. The following formats, will be accepted: JPG, PDF or TIFF

Application Questions: Part 5



8| Funding

Does your organization have, or have you applied for, grant funding from other sources? If not, why not? If yes, please list the funding you have for the project, including any volunteer and in-kind sources in **Question 9| Project Budget Overview**.

Funding sources and amounts which have not yet been secured will be listed separately, in the field(s) directly below.

Finally, what changes would occur if the project couldn't be funded?

Other Funding *

Does your organization have, or have you applied for funding from other sources?

☐ Yes

☒ No

Explanation *

If not, why not?

Although the organizers have not applied for other funding, we will contribute substantially in time and resources to the success of the project. Due to the timing of the application, we are using this opportunity to vet out any concerns with such a project. There is ability to apply for workforce funding, small business grants, etc but we wanted to put the idea on paper and see if it has the potential in which we see it having.

2500 character limit

Funding Shortfalls *

What changes would occur if the project couldn't be funded?

If the project was not funded, organizers would consider attempting to self-fund a version of the program, but it would likely be much-reduced in scope. We will also use the additional time to connect with potential partners and see if we can make it happen through other resources.

2500 character limit.

Matching Funds
Percentage

79.29

%

This field will auto fill with the correct percentage based on your input to budget section below.

9| Project Budget Overview

Please 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 (need not be consecutive) for the project/proposal if applicable.

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.

ATTENTION: In an effort to allow an adequate level of flexibility for all applicants, not all fields in the budget portion are required to be filled before this form is submitted. **Providing all applicable data is your responsibility, failure to do so will potentially jeopardize your application's chance for review.**

Verification of In-kind 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.

Budget Year				
Edit if necessary	2015	2016	2017	2018
Revenues From Consolidated Lodging Tax Grant				
	Past Actual 3	Past Actual 2	Past Actual 1	Projected
LTAC Grant Funding	\$ 0.00	\$ 0.00	\$ 0.00	\$ 21,200.00
All Other Revenues				
Account Name	Past Actual 3	Past Actual 2	Past Actual 1	Projected
Participants	\$ 0.00	\$ 0.00	\$ 0.00	\$ 7000.00
In-Kind Contributions				
Account Name	Past Actual 3	Past Actual 2	Past Actual 1	Projected
Staff Time	\$ 0.00	\$ 0.00	\$ 0.00	\$ 5310.40
Presenters	\$ 0.00	\$ 0.00	\$ 0.00	\$ 4500.00
	Past Actual 3	Past Actual 2	Past Actual 1	Projected
Revenue Totals	\$ 0.00	\$ 0.00	\$ 0.00	\$ 38010.40
Expenses				
Account Name	Past Actual 3	Past Actual 2	Past Actual 1	Projected
Develop Collateral	\$ 0.00	\$ 0.00	\$ 0.00	\$ 3000.00
Design of Collateral	\$ 0.00	\$ 0.00	\$ 0.00	\$ 600.00
Design of Website	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1000.00
Facility Rentals	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1500.00
Speaker Fees	\$ 0.00	\$ 0.00	\$ 0.00	\$ 3000.00
Spkr Travel/Accom	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1500.00

Account Name	Past Actual 3	Past Actual 2	Past Actual 1	Projected
Survey	\$ 0.00	\$ 0.00	\$ 0.00	\$ 600.00
Addtl Studies	\$ 0.00	\$ 0.00	\$ 0.00	\$ 7000.00
Adminstrative Fees	\$ 0.00	\$ 0.00	\$ 0.00	\$ 3000.00
	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
	Past Actual 3	Past Actual 2	Past Actual 1	Projected
Expense Totals	\$ 0.00	\$ 0.00	\$ 0.00	\$ 21200.00
Profit & Loss				
	Past Actual 3	Past Actual 2	Past Actual 1	Projected
	\$ 0.00	\$ 0.00	\$ 0.00	\$ 16810.40

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: *

Name *


Amy McGuffin

Applicant's Title *

Director of Tourism

 **IRS** Department of the Treasury
Internal Revenue Service
P.O. Box 2508, Room 4010
Cincinnati OH 45201

In reply refer to: 4077550279
Mar. 29, 2012 LTR 4168C 0
91-0210430 000000 00
00039116
BODC: TE


KITITAS COUNTY CHAMBER OF COMMERCE
609 N MAIN ST
ELLENSBURG WA 98926-3109

021928

Employer Identification Number: 91-0210430
Person to Contact: Sophia Brown
Toll Free Telephone Number: 1-877-829-5508

Dear Taxpayer:

This is in response to your Feb. 20, 2012, request for information regarding your tax-exempt status.

Our records indicate that you were recognized as exempt under section 501(c)(6) of the Internal Revenue Code in a determination letter issued in July 1942.

Because you are not an organization described in section 170(c) of the Code, donors may not deduct contributions made to you. You should advise your contributors to that effect.

Please refer to our website www.irs.gov/ee for information regarding filing requirements. Specifically, section 6033(j) of the Code provides that failure to file an annual information return for three consecutive years results in revocation of tax-exempt status as of the filing due date of the third return for organizations required to file. We will publish a list of organizations whose tax-exempt status was revoked under section 6033(j) of the Code on our website beginning in early 2011.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely yours,

Cindy Thomas

Cindy Thomas
Manager, EO Determinations

Exhibit "B"

Guidelines and Requirements for Advertising Expenditures of Lodging Tax

Section 1. 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 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.

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

Section 2. 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 10 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, a signed statement from the contractor that the list is accurate and a copy of the poster/flyer 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.