

**2017 LODGING TAX SERVICES AGREEMENT
BETWEEN KITTITAS COUNTY AND LAUGHING HORSE ARTS FOUNDATION-JAZZ IN THE
VALLEY**

This Contract, effective January 1, 2017 is made and entered into by and between KITTITAS COUNTY ("County"), a subdivision of the State of Washington, acting as agent for and on behalf of the City of Ellensburg, ("City"), a Washington municipal corporation, and Laughing Horse Arts Foundation ("Contractor") for the Jazz in the Valley event.

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 nine thousand dollars (\$9,000.00).
- 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 nine thousand dollars (\$9,000.00).
- 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: Judy Pless

205 West 5th Ave – Suite 105
Ellensburg, WA 98926

Judy.pless@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 only:
 - Brochure production and distribution
 - Radio advertising
 - Print advertising
 - Webpage design
 - Social media advertising
- 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 at the conclusion of the event.
- 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>

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 and City. Any such delegation or subcontracting without the County's or City's prior written consent shall be voidable at the County's or City's option.
- b. Contractor shall at all times be an independent contractor and not an agent or representative of the County or City 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 or City. In no event shall Contractor be authorized to enter into any Agreement or undertaking for or on behalf of the County or City. It is understood that the Contractor and the Contractor's staff and employees are not employees of the County or City and are not, therefore, entitled to any benefits provided employees of the County or City.
- 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, mental disability or any other protected status recognized under local, state or federal law.
- e. The Services shall at all times be subject to inspection by and approval of the County or City, but the County's or City'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 or City's knowledge of defective or non-complying performance, or the substantiality or ease of discovering the same. Contractor shall provide the County or City 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 City, or their 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 or City makes final payment of compensation due hereunder, Contractor shall provide the County or City access to (and the County or City 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 or City assumes no liability for the Contractor's actions under this Agreement. Contractor releases and shall defend, indemnify, and hold harmless the County and the City, their 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 or City 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 or City 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 or City 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 or City specifically shall not be liable to Contractor for the County's or City's release under public records laws of any documents not otherwise exempt from disclosure 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 or City, their 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 and City as Additional Insureds 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 or self-insurance maintained by the County or City. 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. The City is not a party to this Agreement but is an intended third-party beneficiary of this Agreement and to the extent set forth herein certain of its provisions are for the benefit of the City and are enforceable by City in its own name and capacity as a Washington municipal corporation.
- b. 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.
- c. 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.
- d. 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. 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.

- e. 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.
- f. 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.
- g. 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.
- h. 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.
- i. 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


Clerk of the Board

ATTEST: 
Deputy Prosecuting Attorney

APPROVED AS TO FORM:

Deputy Prosecuting Attorney

CONTRACTOR


[Print Name]

LARRY SHARPE
5422 1st Ave Valley
PO Box 214 Ellensburg WA

[Address] 98926
509-935-8713

[Telephone]

RECEIVED

SEP 30 2016

1st _____ 2nd _____ 3rd _____

County-wide Lodging Tax Application

Submission Checklist***For office use only***

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

yes

Applicant filled out the proper application version for this grant cycle.

yes

Applicant answered each question.

yes

A budget is attached which includes revenues, expenses and anticipated profit or loss (plus previous 3 years actuals for ongoing projects/events).

yes

The applicant has signed and dated the certification statement required in item 10 of the application.

yes

The application was submitted on time.

yes

Proof of non-profit status is included (if applicable).

Please date stamp the application and initial.

WYM

Request for Proposals
2017 Lodging Tax Fund

Submission Deadline: Friday, September 30, 2016

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

2017 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 5th Ave, Suite 108
Ellensburg, WA 98926

Applications must be received no later than 5:00 p.m., Friday September 30, 2016 or postmarked no later than September 30, 2016.

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
Applications may be faxed to: 509-962-7679

Schedule:

- Applicant Workshops (*attendance at one workshop is strongly encouraged*)
Ellensburg City Hall Council Chambers **8/18/2016, 5:30 PM & 8/25/2016, 5:30 PM**
Upper Kittitas District Court, Cle Elum **8/16/2016, 5:30 PM & 8/23/2016, 5:30 PM**
- **Application deadline** **9/30/2016**
- **Oral presentations of proposals to county-wide LTAC** **11/18/2016**
- **Applicant Award Notification and fund availability** **1/1/2017**

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 5th Ave, Suite 105
Ellensburg, WA 98926
auditorsaccounting@co.kittitas.wa.us

For specific information and requirements regarding the reimbursement process, please contact the Auditor's office at 509-962-7502.

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 apply for funding from one or both categories. If applying for funding from both categories, the application must clearly identify the different funding categories requests. 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
- www.cityofcleelum.com
- www.ci.roslyn.wa.us
- 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 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 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.

Order of Documents Requirements:

Complete applications must be submitted with documents in the following order to receive consideration for funding:

1. Submission Checklist;
2. Application form;
3. Answers to application form questions;
4. Grant application rating form;
5. Applicant checklist;
6. Budget documents;
7. Additional information (limited to 3 pages);
8. Proof of non-profit status (if any).

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, 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. If applying for funding for both "New Project/Event" and "Ongoing Project/Event Support" you must clearly identify the different requests. This may be most easily accomplished by submitting separate budgets for each request category.

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 ____ 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?	_____	_____
B. How many days did/will your event occur?	_____	_____
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>	_____	_____

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: _____

APPLICATION FOR 2017 LODGING TAX GRANT FUNDING

Name of Organization: Laughing Horse Arts Foundation

Organization mailing address: P.O. Box 214

Ellensburg, WA 98926

Organization contact person & title: Larry Sharpe

Chairman of the Board

Organization/contact phone: 509-899-3767

Email: Jazzinfo@JazzintheValley.com

Organization Website: www.JazzintheValley.com

Federal Tax ID Number: **91-1211173** UBI Number: **600 634 787**

Organization is a (select one): _____ Government Entity

 X 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)

Project/Event Name: **Jazz in the Valley**

Project/Event Date: July 28, 29, 30 2017

Project/Event Location: **Downtown Ellensburg, WA**

Amount of Funding Requested: \$ 11,000.00

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

New Project/Event

X Ongoing Project/Event Support

Estimated # of overnight stays: 697

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

Season:**Months:**

Year-round

January – December

Off season

November – February

Shoulder season

October or March – May

x High season

June – September

- 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.**

Jazz in the Valley is a three day festival featuring a variety of Jazz Music including blues, salsa, swing and more. There are 10 venues (all in the downtown historic district) featuring a diverse group of northwest and national acts. Our core audience members are lovers of this genre of music who are looking for a weekend getaway at an affordable price. The primary attendees will be from the Pacific Northwest but the festival draws from all across the United States and Canada. Any funds we are awarded will be used to promote our Festival and our great community outside of the county. This will include:

- Producing a four color brochure advertising the Festival and other community events that coincide on that same weekend. Not only do we send packets of these brochures to at least 50 Chambers of Commerce across the state, but also include it in our contributor mailing. We mailed 1675 letters last year, 560 of which were to addresses outside of Kittitas County.
- We distribute at least 75 of our posters to locations throughout the state, 30 of which go to wineries in Eastern Washington (most are participating in the Wine tastings at the Galleries).
- Underwriting radio programs that promote this genre of music throughout the year. Specifically KPLU (now KNKX) and NPR which is a strong supporter of Jazz across the state.
- Print advertisement that covers the most populated parts of the State. Last year we advertised three months prior to the festival in Seattle Magazine which has demonstrated a statewide reach. We purchased a 2/3 page ad in the May/June issue of Northwest Travel and Life. This ad also listed in the Must-Go Summer Festivals and featured us in their online newsletter for July. Advertising in the Tri-cities and Yakima always seems to bring attendees from those areas.
- We ventured into social media this past year by purchasing Facebook ads and a wallpaper background with the Seattle Met Online (all linking to our webpage) and promo Eblasts during the month of July. All avenues that linked to our webpage had unique identifiers so we can track the online source that was used for access. We will be evaluating how successful this was and refining our approach as necessary.
- This will be our 20th year and at the end of the year a number of our original visionaries will be retiring. In an effort to adapt to the challenges of our changing communications world, the board will be reassessing our approaches (what has worked for us, not worked for us), working with outside sources to delineate segments of our festival market and develop integrated campaigns that best matches media to these audience segments.
- This year we plan a complete redesign of our webpage to make it more interactive and connected to social media.

- 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.

- We produce 15,000 brochures and 500 posters that we distribute throughout the state.
- We have a subscriber list of over 1,675 members that we send a letter soliciting contributions along with our brochure. One-third (560) of these members have addresses outside of our county and which span across the United States and British Columbia.
- We send packets of information (brochures, etc.) to most of the Chambers of Commerce in the State.

- For the past 15 years, JIV has provided a survey for festival attendees to fill out and asked where they were from, how many nights they were staying and how they heard about us. This year we asked attendees who purchased a ticket during the festival if they lived in Kittitas County and if not, did they live in Washington State or elsewhere.
- This year's webpage provided an avenue for people to subscribe enabling them to receive information from us on a year-round basis. With our new webpage redesign we hope to make this even more robust.
- Through some of the ads we placed last year we have received valuable demographic information. Combining this with the email addresses we collected through sales at the Chamber Office, our on-line ticket sales (through ShowClix) and those provided from the webpage and festival surveys we hope to direct market to this audience and request feedback on their festival experiences.
- We have budgeted over \$20,000 for advertising outside of the County.
 - We purchase print advertising in Yakima, Tri Cities and Seattle
 - We purchase radio advertising on KPLU (now KNKX) and NWPR
 - We were underwriters for programs on KPLU (now KNKX) and NWPR for the three months prior to the Festival.
 - We purchased a 2/3 page ad in NW Travel Magazine that covers a four state area and British Columbia and will be evaluating its impact.
 - From the demographic information collected from our online ad campaigns we hope to engage people in a more direct and on-going fashion. This is a work in progress but it provides some interesting possibilities for promoting other events happening in our community.

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-around or is it seasonal of 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 the Kittitas County as a tourist destination?**

- I. **Jazz in the Valley is a date specific event.** Since our second festival, 18 years ago, we have advertised our event as always occurring the last weekend in July. The next festival will be on July 28, 29, 30 2017.
- II. **Strategies employed to assure we are to attracting tourists at least 50 miles away:**
 This year:
 - We increased our On-line exposure through Facebook ads and media blasts.
 - We have our festival listed on many music festival websites.
 - For the last 15 years, a couple of board members have auctioned off a Festival package (tickets, lodging, and a dining certificate) to benefit a Statewide Non-profit Foundation. Many of the winners come back every year.
 - Contacted: 12 motels, 1 B&B in Ellensburg and 4 campground/ RV Parks
 Their best guesstimate of rooms specifically related to Jazz in the Valley (*over two nights*):
 - 11 motels reported counts + 1 B&B: **535 rooms**
 - 4 campground/ RV Parks: **162 sites**
 - Our webpage has a lodging page that links to all of the accommodations in the county. Google Analytics showed that there were 644 contacts to this webpage, 280 of which exited our webpage to access one of the listings.

- We track demographic information of ticket sales through the Chamber, on-line sales through ShowClix, mail-order sales and our unrestricted personal /business contributions. This year during the Festival we asked ticket buyers where they were from. When we combined all of the available ticket information: 52% of tickets were in Kittitas County and 48% were out of the county (See Exhibit A₁).
- Our festival survey respondents that reported addresses: 31% were from Kittitas County and 69% were out of the county. (See Exhibit A₂)
- We offered a festival package (Hotel + tickets) through a Seattle Met Eblast during the month of July that has provided us with demographic information for people exclusively living out of the county.
- Kept track of internet hits on our website via Google analytics - Oct 1, 2015 – September 28, 2016 (see Exhibit B)
- Jazz in the Valley provides music scholarships to CWU's Jazz program. Five years ago CWU started a Jazz camp for high School students during the summer. The first year it happened the week before the festival and groups from the camp performed Saturday morning prior to the festival and many of the camper's families experienced Jazz in the Valley and Ellensburg for the first time. It is unclear whether the schedule will work out to coincide with our festival this year, but JIV will be looking for ways to encourage the students and their families to return here and attend the festival.

III. Strategies we will use to assist in marketing all of the Kittitas County as a tourist destination

- Developing a demographic database will allow us to create a year-round newsletter that will talk about our festival, the artists and the community we reside in. This will provide us the opportunity to also promote other events in our County.
- We have contacted several local hotel/motels to discuss the possibilities of creating value packages for those who attend the festival. At least four of them indicated potential interest in a partnership for next year.
- We purchased our own POS equipment this year to be able to track our sales electronically. Square doesn't allow tracking of demographic information; however, we were able to query our ticket buyers about where they were from (Kittitas County, WA State, other) and keep a count of the respective responses.
- For the past 16 years, JIV has provided a survey for festival attendees to fill out and asked where they were from, how many nights they were staying and how they heard about us (Exhibit A₂).
- Our website currently links to the Kittitas County Chamber of Commerce, the MyEllensburg.com webpage, the local art galleries, CWU, the Historic Museum, and the Farmers Market. We will be looking for other ways to expand our internet linkage into the community and its many events.
- This year we will redesign our webpage to be more interactive and hopefully provide a more targeted approach to our marketing.
- We plan to work with the Chamber and their marketing entity to share ideas and identify areas we can collaborate.
- We know there a lot of out-of-towners who attend our festival but spend their overnights with members of our community rather than in the hotels. We will work with Chamber tourism to develop a tool to try and measure this impact on our attendance numbers.
- Identify other events happening that weekend in the county and developing a marketing relationship.

4. Does your organization have, or have you applied for, grant funding from other sources? If no, why not? If yes, please list the available funding you have for the project, including any volunteer and in-kind source, 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?

Our main sources of funding are from contributions and ticket sales. Last year approximately 30% of our income came from cash/in-kind contributions.

- We send out a solicitation letter requesting financial support in December to approximately 478 businesses within Kittitas County and others out of the area that have contributed to our festival in the past.
- We offer Major Festival sponsorships at the \$2000 level which includes festival perks and advertising in our printed materials that we send with our mailings and display their banner during the festival.
 - Last year we had four major festival partners (local businesses) at \$2000 = **\$8000**.
- Our main drive for solicitations is conducted at the end of March. This year we sent out 1675 letters, which includes this year's brochure, asking for support and offering a way to purchase tickets. 560 of those letters (~30%) went to resident/businesses located outside of Kittitas County.
- In-kind donations from local businesses accounted for 19% of our contributions. Last year the \$ value for these services were **over \$9315** (reported as contributions of \$6515 after the value of tickets were subtracted).
- The Festivals biggest contribution comes from our almost 200 community volunteers that work to set up and put on the festival.
 - Just counting the hours the week before and during the festival they put in more than 700 hours. The **value per volunteer hour** set by the State of Washington in 2013 is **\$26.72**. Applying this figure to our volunteer hours adds a value of **over \$18,704**.
 - This does not include the estimated 3500 hours put in by our 28 board members who volunteer their time throughout the year which would total **\$93,520**.
 - A local accountant also donates his time and expertise to help us with our taxes and any accounting questions.

Since part of our mission is to bring tourists into the community, we have applied for and periodically received lodging tax funds from both the county and the city. The funds we have received have helped greatly expand the reach of our advertising to the non-local attendees.

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?

Other Organizations	Collaboration Example
Chamber of Commerce	Serves as our pre-festival ticket outlet. Rents us their sales equipment during the festival
City of Ellensburg	Fencing to block off our main venue at the Rotary Pavilion No parking and handicap signs Hangs our banner across 4 th between Main and Pearl St. the month prior to the festival. Provides a noise ordinance waiver for that weekend and allows blocking the sidewalk.

Central Washington University	<p>Through a contract arrangement they provide the following:</p> <ul style="list-style-type: none"> • Pianos • Music stands • Platforms for the performers to use in the local venues • Cooling fans to be used in the Main Pavilion <p>We also partner with the music department to subsidize clinics for students to interact with professional jazz artists. This includes clinics at the local high schools as well.</p> <p>We offer yearly scholarships for Jazz students attending CWU.</p> <p>For several years CWU has provided a Jazz camp for high school students from across the Northwest. One year their groups performed for free on Saturday morning (before the Festival began). Many of their families came to the Festival for that reason with many spending the night. We hope timing of competing music camps allows this to happen again.</p> <p>Last year we closed the Festival with an outstanding performance by CWU Jazz Band I, which was the winner of the prestigious Monterey Jazz's Next Generation 2015 competition.</p>
Wells Fargo	Provides the location for our Main Stage in the heart of downtown Ellensburg. They closed their drive-through on Friday to allow the festival to set-up.
Ellensburg Rodeo Association	<p>Their concession trailer is used for our main box office during the Festival.</p> <p>Approximately 750 folding chairs that are used in the Rotary Pavilion and other venues</p> <p>In turn, JIV Board members volunteer for the Rodeo concession wagon during the Rodeo weekend.</p>
Kittitas County Sheriff's Dept.	For seven years, through a contract arrangement, they provided two off-duty Deputies to be on-site at the Main Stage from 8pm-1am both Friday and Saturday nights during the Festival.
Ellensburg Police Dept.	Off-duty police officers provided paid security at the Rotary Pavilion during the Festival of the early years of the Festival.
Clymer Museum	<p>Serves as a music venue during the festival.</p> <p>Provides a wine tasting event the Saturday afternoon of the Festival</p>
Gallery One	<p>Serves as a music venue during the festival.</p> <p>Provides a wine tasting event the Saturday afternoon of the Festival</p> <p>Willing to partner by offering a 10% discount to festival attendees. Served as a sales outlet for Logo wine tote during their wine tasting.</p>
Other Businesses that have served as music venues for past Festivals	Rodeo City BBQ, The Dakota Café, Fitterer's Furniture, The Moose Lodge, The River at Grand Central, The Valley Café, The Palace, KV Realty's parking lot, Club 301, Prosody, Sen Restaurant, Pink Catering, Pearls on Pearl.
Farmer's Market	Usually runs extended hours on that weekend
The Public Library	Decorates their lobby with memorabilia from the past Jazz Festivals.
KVH	Displays our posters in their entryways during the month of July

Downtown Businesses	Partnered with the Downtown Association to have businesses decorate and display Jazz Saxophones in their windows as part of a promotional. Every year Fitterer's entire corner window features decorations elaborating a Jazz theme (based on our poster) during the month of July.
Businesses with Reader Boards	Display our dates throughout the month of July
Non-Profit Organizations	JIV has for many years provided Festival Tickets to local non-profit organizations to aid in their fundraising efforts
We also commit a page of our brochure to events happening in downtown Ellensburg that weekend.	

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.

Over the past 19 years we have accumulated enough cash reserves that if there was a disaster we could still put on a festival. One of our goals from the beginning of this festival was to bring out-of-towners into our community during the middle of summer when business can be slow. We have worked hard to provide a quality product that is affordable. The festival actively requests support through community donations (in-kind and monetary) and from ticket sales to the general public. Being an all-volunteer organization, we also depend on community members for our work force. We have around 200 volunteers every year who buy their own tickets but provide the manpower to help set up/take down the venues, monitor the venues for ticket holders, train and serve in the beer garden, and sell our merchandise in the Box Office. The only people we pay are the Box office managers during the Festival, the Security officers and those involved with delivering the outstanding music.

There are two reasons the governing board of JIV has avoided "branding" the festival with corporate festival sponsors for 19 years:

- Believing that the emphasis should be on the community and the music.
- Not wanting to depend on corporate whims which have doomed more than one festival of our genre when their support was withdrawn.

The last three years we have seen our expenditures exceed our revenues. We will be reevaluating our marketing strategies along with discussions on the impact of increasing our ticket prices.

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 3 pages will be provided to reviewers.

The Jazz Board consists of 28 volunteers who donate countless hours of their time throughout the year to develop and promote the festival. Per your request, we asked the Board members to estimate their time commitment during the year. There are about 175-200 other volunteers who contribute their time the week before and during weekend of the festival (see Exhibit C for the estimated \$ value). The festival has no paid staff other than limited ticket booth staffing during the festival, security officers, and the musicians along with the sound techs.

This will be our 20th year offering the festival and every year festival board members have done informal surveys of the restaurants and motels and have received information from them that this is one of the best weekends they have during the year. We hope to do more thorough studies in the future, with the help of the Visitor's Center which (we think) will confirm the anecdotal information.

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 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 of \$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)

Please see attachments: Exhibit C₁ = Budget for the current fiscal year

Exhibit C₂ = Profit /Loss for the prior three years

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.

Kittitas County		City of Ellensburg	
2000	\$1,500	2000	\$2,500
2001	\$2,500		
2002	\$3,000		
2003	\$2,500		
2004	\$2,500		
2005	\$2,500		
2009	\$3,500	2009	\$3,474
2010	\$3,500	2010	\$4,200
2012	\$2,000	2012	\$3,500
2013	\$3,500	2013	\$2,625
Kittitas County - Combined Application			
2014		\$10,000	
2015		\$10,000	

If yes, also provide the following information regarding prior year's projects:

	Prior Year	Projected
A. How many participants and spectators attended last year's activity and/or will attend this year?	3040	3100
B. How many days did your event occur?	3	3
C. Room nights booked (Contact Chamber's Director of Tourism)	697	718

12 motels, four campgrounds and one B&B were contacted. Eleven of the motels, one B & B and four RV park/campgrounds reported estimated rooms/accommodations specifically for our Festival

Last year: ADR (Average daily rate) = \$84 for overnight stays (Dean Runyan Associates)
 $697 \times 84.00 = 58548$
 $58548 \div 10000 = 5.85\%$... the return on in the investment is almost 6 to 1

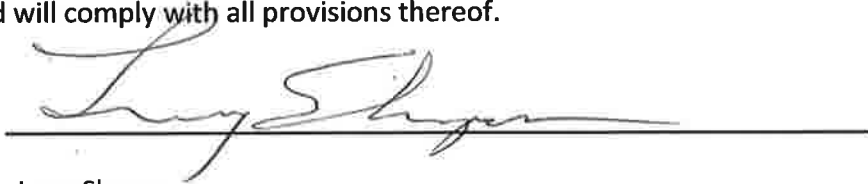
If projections are reached next year (assuming the same daily rate):
 $718 \times 84.00 = 60312$
 $60312 \div 11000 = 5.48\%$... the return on in the investment is over 5 to 1

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): Larry Sharpe

Title: President of the Board

Date: September 30, 2016

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, **2017** 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 the submittal instructions on page 4.
- ☒ My application is being sent on or prior to **September 30, 2016** 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 5th Avenue, Suite 108
Ellensburg, WA 98926

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

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

Tickets 2016

Ticket Sales with recorded zipcodes	Kittias County	Out of County	Totals	No Address
Unrestricted Contribution Tickets	351	51	402	
Chamber Ticket Sales	364	91	455	162
ShowClick	101	316	417	
Recorded during the Festival	289	267	556	681

Totals

1105	725	1830
60%	40%	100%

Comp Tickets

Band Member Tickets	59	289	348
Volunteers working 10+ hrs for tickets	7	12	19

Totals

66	301	367
18%	82%	100%

Totals + Band members/families + volunteers	1171	1026	2197	843
	53%	47%	100%	

43% of tickets accounted for prior to the Festival

Total tickets 2016 Festival =	3040
-------------------------------	------

Jazz in the Valley Festival Suvey Results

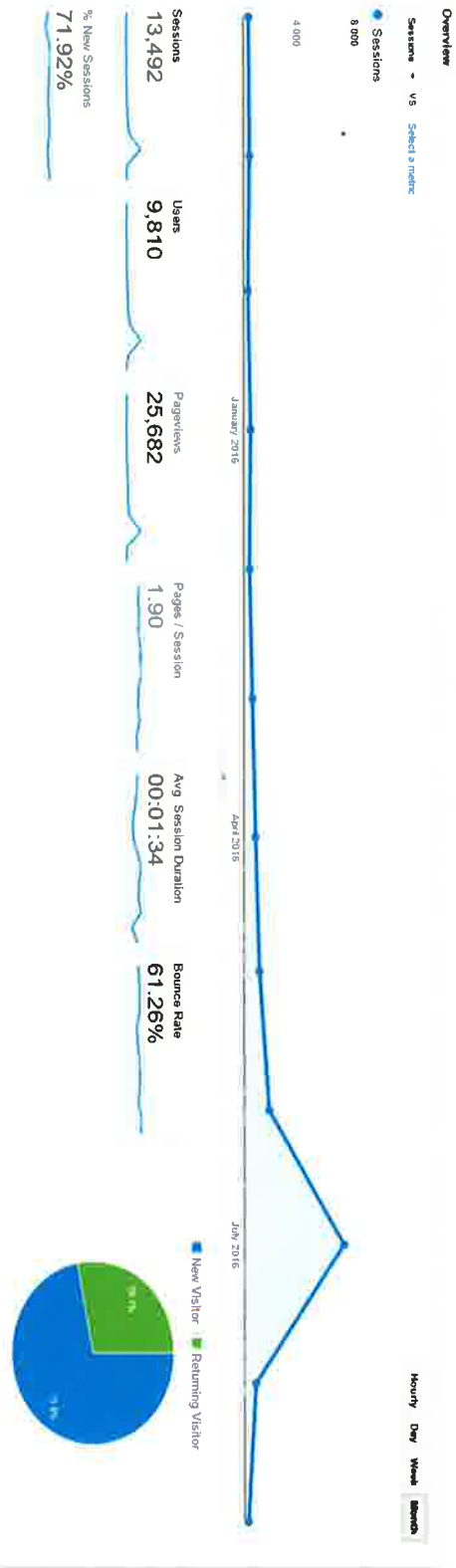
Of the surveys that reported resident locations:

Kittitas County:	31%
Out of County	69%

Out of County Responses:

51% reported staying at least one night
39% reported two or more nights

Google Analytics
Oct 1, 2015 — Sept 28, 2016



Region	City	Acquisition			Behavior			Conversions			
		Sessions	% New Sessions	New Users	Bounce Rate	Pages / Session	Avg. Session Duration	Goal Conversion Rate	Goal Completions	Goal Value	
1	Washington	Seattle	12,428 <small>(+10.45%) % of Total: 13.45%</small>	70.60% <small>(+1.84%) Avg New: 7.84%</small>	8,774 <small>(+1.96%) Avg New: 3.96%</small>	59.15% <small>(+1.58%) Avg New: 1.58%</small>	1.96 <small>(+0.23%) Avg New: 1.73%</small>	00:01:39 <small>(+0.01%) Avg New: 0.01%</small>	0.00% <small>(+0.00%) Avg New: 0.00%</small>	0 <small>(+0.00%) % of Total: 0.00%</small>	\$0.00 <small>(+0.00%) % of Total: \$0.00</small>
2	Washington	Ellensburg	2,635 (+4.20%)	66.84%	2,008 (+2.89%)	63.25%	1.80	00:01:28	0.00%	0 (+0.00%)	\$0.00 (+0.00%)
3	Washington	Yakima	477 (+3.84%)	60.19%	1,586 (+8.09%)	48.46%	2.20	00:01:55	0.00%	0 (+0.00%)	\$0.00 (+0.00%)
4	New York	New York	274 (+2.40%)	71.07%	339 (+3.86%)	57.02%	1.99	00:02:09	0.00%	0 (+0.00%)	\$0.00 (+0.00%)
5	Washington	Spokane	207 (+1.67%)	85.77%	235 (+2.68%)	70.07%	1.60	00:01:08	0.00%	0 (+0.00%)	\$0.00 (+0.00%)
6	Oregon	Portland	207 (+1.67%)	71.50%	148 (+1.83%)	48.79%	2.27	00:02:29	0.00%	0 (+0.00%)	\$0.00 (+0.00%)
7	California	San Francisco	204 (+1.64%)	82.35%	168 (+1.91%)	71.08%	1.66	00:00:59	0.00%	0 (+0.00%)	\$0.00 (+0.00%)
8	Washington	San Francisco	189 (+1.52%)	73.54%	139 (+1.50%)	73.54%	1.53	00:00:52	0.00%	0 (+0.00%)	\$0.00 (+0.00%)
9	Washington	Bellevue	168 (+1.35%)	79.17%	133 (+1.57%)	51.19%	2.35	00:01:57	0.00%	0 (+0.00%)	\$0.00 (+0.00%)
10	Washington	Wenatchee	158 (+1.27%)	70.25%	111 (+1.27%)	62.03%	1.86	00:01:48	0.00%	0 (+0.00%)	\$0.00 (+0.00%)
11	Washington	Tacoma	146 (+1.17%)	77.40%	113 (+1.29%)	54.79%	2.28	00:01:40	0.00%	0 (+0.00%)	\$0.00 (+0.00%)
12	Washington	Olympia	131 (+1.05%)	72.52%	95 (+1.08%)	46.56%	2.46	00:03:00	0.00%	0 (+0.00%)	\$0.00 (+0.00%)
13	Washington	Everett	118 (+0.90%)	74.58%	88 (+1.00%)	54.24%	2.15	00:01:34	0.00%	0 (+0.00%)	\$0.00 (+0.00%)
14	Washington	Richland	107 (+0.80%)	73.83%	79 (+0.90%)	51.40%	2.45	00:02:54	0.00%	0 (+0.00%)	\$0.00 (+0.00%)
15	Washington	Kennwick	103 (+0.80%)	59.22%	61 (+0.70%)	50.49%	1.98	00:01:07	0.00%	0 (+0.00%)	\$0.00 (+0.00%)
16	California	Los Angeles	102 (+0.82%)	79.41%	81 (+0.92%)	71.57%	1.54	00:01:14	0.00%	0 (+0.00%)	\$0.00 (+0.00%)
17	Washington	Redmond	97 (+0.78%)	74.23%	72 (+0.82%)	50.52%	2.14	00:01:40	0.00%	0 (+0.00%)	\$0.00 (+0.00%)
18	Washington	Remton	91 (+0.73%)	76.92%	70 (+0.80%)	56.04%	2.11	00:02:41	0.00%	0 (+0.00%)	\$0.00 (+0.00%)
19	Washington	Kent	89 (+0.72%)	75.28%	67 (+0.78%)	64.04%	1.71	00:00:51	0.00%	0 (+0.00%)	\$0.00 (+0.00%)
20	Washington	Kirkland	83 (+0.67%)	77.11%	64 (+0.73%)	65.06%	1.77	00:01:06	0.00%	0 (+0.00%)	\$0.00 (+0.00%)
21	Illinois	Chicago	81 (+0.65%)	61.73%	50 (+0.57%)	65.43%	1.69	00:01:46	0.00%	0 (+0.00%)	\$0.00 (+0.00%)
22	Washington	Moses Lake	80 (+0.64%)	67.50%	54 (+0.62%)	51.25%	2.04	00:02:14	0.00%	0 (+0.00%)	\$0.00 (+0.00%)
23	Washington	Roslyn	62 (+0.50%)	61.29%	38 (+0.40%)	50.00%	2.45	00:02:15	0.00%	0 (+0.00%)	\$0.00 (+0.00%)
24	North Carolina	Greenville	61 (+0.49%)	67.21%	41 (+0.43%)	62.30%	1.62	00:03:36	0.00%	0 (+0.00%)	\$0.00 (+0.00%)
25	Washington	North Creek	59 (+0.47%)	57.63%	34 (+0.36%)	57.63%	1.97	00:01:34	0.00%	0 (+0.00%)	\$0.00 (+0.00%)
26	Washington	Aberdeen	57 (+0.46%)	24.56%	14 (+0.17%)	24.56%	2.53	00:01:24	0.00%	0 (+0.00%)	\$0.00 (+0.00%)

**Jazz in the Valley
Preliminary Budget 2016-2017**

Exhibit C₁

Income

Income: cash

Contributions Income	
Original Artwork Sale	250
Restricted (Lodging Tax Funds)	11,000
Unrestricted	18,500
Total Contributions Income	29,750
Sales	
Concessions Sales	10,500
Tickets Sales	65000
Souvenir Sales	5000
Total Sales	80,500
Vendor Fees	250
Interest Received	750
Miscellaneous Income	
Total Cash Income	81,500

Income: In-kind

Donated Materials/ Services	7000
Volunteer labor: Hours	112,224

Estimated # of volunteer hours
4200 x \$ 26.72

Total Income **230,474**

Expenses

Concessions	
Licenses and Permits	420
Vendor Supplies	4530
Total Concessions	4950
Education	
CWU Jazz Scholarships	1500
Master Classes - CWU & County HS's	2500
Total Education	4000
Facilities	
Total Insurance/Licensing	2800
Total Equipment Rental	7775
Security / Contract Labor	2375
Repairs/Supplies/Equipment/Storage	2650
Total Facilities	15600
Fundraising	
Contributor perks	4100
Donation Mailings- All Associated Costs	1325
Cost of goods sold - souvenirs	3675
Total Fundraising	9100
Total General Expenses (dues /fees/ office)	2500
Music	
Instrument Rental/Repair	1500
Lodging	7600
Musician Expense	42400
Total Music	51500
Promotion	
Electronic Media	
Facebook; etc.	1900
Radio	6000
Online Ads	4000
Web Page - redesign	4000
Total Electronic Media	16900
Print Advertising	
Daily Record	3000
Out of County	7200
Upper County	650
Total Print Advertising	10850
Printed Materials	
Brochures/Bookmarks	2200
Posters	825
Handbills/Surveys/Misc.	225
Total Printed Materials	3250
Total Promotion	30000
Tickets/Sales	
Day Passes	475
Festival Pass	400
Sales Contract Labor	1400
Sales Equipment	50
Sales Supplies	100
Shipping/Postage	325
Total Tickets/Sales	2750
Total Volunteers	450
Volunteer labor: Hours	112,224
Total Expense	233074
Profit / Loss	-2,600

Estimated # of volunteer hours
4200 x \$ 26.72

Jazz in the Valley
Profit Loss by year
 Oct 1, 2013 - September 30, 2016

Exhibit C₂

	Oct '13 - Sep' 14	Oct '14 - Sep' 15	Oct '15 - Sep' 16	
Income				
Income: cash				
Contributions Income				
Original Artwork Sale	200	700	225	
Restricted (Lodging Tax Funds)	10,000	10,000	10,000	
Unrestricted	11,265	15,695	18,063	
Total Contributions Income	21,465	26,395	28,288	
Sales				
Concessions Sales	7,932	5,832	10,171	
Tickets Sales	64,050	61,505	64,440	
Souvenir Sales	6,118	6,102	4,737	
Total Sales	78,100	73,439	79,348	
Vendor Fees	391	721	125	
Interest Received	957	473	710	
Miscellaneous Income	173	11	79	
Total Cash Income	101,086	101,039	108,550	
Income: In-kind				
Donated Materials/ Services	8,348	8,044	6,515	
Volunteer labor: Hours		129,352	112,224	volunteers hours x \$ 26.72
Total Income	109,434	238,435	227,289	
Expenses				
Concessions				
Licenses and Permits	420	420	320	
Vendor Supplies	6,124	4,926	5,500	
Total Concessions	6,544	5,346	5,820	
Education				
CWU Jazz Scholarships	1,500	1,500	1,500	
Master Classes - CWU & County HS's	1,350	2,500	1,300	
Total Education	2,850	4,000	2,800	
Facilities				
Total Insurance/Licensing	2,686	2,737	2,495	
Total Equipment Rental	7,360	7,757	7,402	
Security / Contract Labor	2,250	2,375	1,275	
Repairs/Supplies/Equipment	2,532	4,250	3,793	
Total Facilities	14,828	17,119	14,965	
Fundraising				
Contributor perks	3,018	4,015	3,290	
Donation Mailings- All Associated Costs	1,316	1,309	1,592	
Cost of goods sold - souvenirs	4,537	3,655	2,898	
Total Fundraising	8,871	8,979	7,780	
Total General Expenses (dues /fees/ office)	2,026	3,727	4,220	
Music				
Instrument Rental/Repair	1,300	1,600	1,300	
Lodging	7,084	7,585	8,080	
Musician Expense	42,575	42,578	48,582	
Total Music	50,959	51,763	57,962	
Promotion				
Electronic Media				
Facebook; etc.	1,469	705	1,611	
Radio	3,837	6,215	6,080	
TV Ads	1,001	0	0	
Web Page	390	390	2,015	
Seattle Met			3,763	
Total Electronic Media	6,697	7,310	13,469	
Print Advertising				
Daily Record	3,236	3,539	1,576	
Out of County	6,165	7,134	6,115	
Upper County	712	626	461	
Total Print Advertising	10,113	11,299	8,152	
Printed Materials				
Brochures/Bookmarks	3,092	2,174	2,348	
Posters	825	810	1,006	
Handbills/Surveys/Misc.	345	296	746	
Total Printed Materials	4,262	3,280	4,100	
Total Promotion	21,072	21,889	25,721	
Tickets/Sales				
Produce Day Passes	480	460	460	
Produce Festival Pass	639	392	384	
Sales Contract Labor	1,000	1,368	1,000	
Sales Equipment	100	25	1,707	
Sales Supplies	138	106		
Shipping/Postage	319	319	247	
Total Tickets/Sales	2,676	2,670	3,798	
Total Volunteers	418	446	459	
Total In-Kind Volunteer labor: Hours		129,352	112,224	volunteers hours x \$26.72
Total Expense	110,244	245,291	235,749	
Profit / (Loss)	(810)	(6,856)	(8,460)	

Internal Revenue Service

Department of the Treasury

**P. O. Box 2508
Cincinnati, OH 45201**

Date: April 12, 2003

**Laughing Horse Arts Foundation
P.O. Box 214
Ellensburg, WA 98926-0214**

Person to Contact:
Ronnie Clemons
Customer Service Representative
Toll Free Telephone Number:
8:00 a.m. to 6:30 p.m. EST
877-829-5500
Fax Number:
513-263-3756
Federal Identification Number:
91-1211173

Dear Sir:

This is in response to your Certificate Of Amendment, filed July 6, 1999, in the State of Washington, changing the organization's name from Ellensburg Summer Theater Foundation, to the above as listed.

Our records indicate that a determination letter issued in July 1984, granted your organization exemption from federal income tax under section 501(c)(3) of the Internal Revenue Code. That letter is still in effect.

Based on information subsequently submitted, we classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in sections 509(a)(1) and 170(b)(1)(A)(vi).

This classification was based on the assumption that your organization's operations would continue as stated in the application. If your organization's sources of support, or its character, method of operations, or purposes have changed, please let us know so we can consider the effect of the change on the exempt status and foundation status of your organization.

Your organization is required to file Form 990, Return of Organization Exempt from Income Tax, only if its gross receipts each year are normally more than \$25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of the organization's annual accounting period. The law imposes a penalty of \$20 a day, up to a maximum of \$10,000, when a return is filed late, unless there is reasonable cause for the delay.

All exempt organizations (unless specifically excluded) are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more paid to each employee during a calendar year. Your organization is not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, these organizations are not automatically exempt from other federal excise taxes.

Donors may deduct contributions to your organization as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to your organization or for its use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

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.