

**Kittitas County  
Distressed County Sales and Use Tax Grant Application,  
Guidelines & Instructions**

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**Deadline:**

**Return completed application by 5:00 PM, June 30, 2011.**

**Return To:**

Kittitas County Department of Public Works  
411 North Ruby Street, Suite #1  
Ellensburg, Washington 98926

## ***Section 1 – Sales and Use Tax Funds***

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Current Washington State law authorizes the legislative authority of a rural county to impose a sales and use tax in accordance with the terms of chapter 82, Revised Code of Washington (RCW). In Kittitas County, according to RCW 82.14.370, the rate of the tax shall not exceed .09 percent of the selling price in the case of a sales tax or the value of the article used in the case of a use tax. The tax imposed is deducted from the amount of tax otherwise required to be collected or paid over to the department of revenue under chapter 82.08 or 82.12 RCW.

Kittitas County has authorized this tax and compiles the funds annually for distribution throughout the county to qualifying organizations in the form of reimbursable grants. Most applications are considered during an annual grant application process. In some cases, applications may be considered outside of the regularly scheduled annual process.

For consideration during the annual grant process, applications must be completed in full and submitted by the 5:00 PM due date on the application materials to the Department of Public Works. Incomplete and/or late applications will not be considered. Applications may not be changed or amended by the applicant after the deadline for submission.

### ***Permissible Uses According to Law***

Funds awarded as reimbursable grants under this process may be used for the following:

1. To finance public facilities serving economic development purposes.
2. To finance personnel in economic development offices.

According to RCW 82.14.370, in order to qualify for financing, the public facility must be listed as an item in the officially adopted county overall economic development plan, or the economic development section of the county's comprehensive plan, or the comprehensive plan of a city or town located within the county.

“Public facilities” means bridges, roads, domestic and industrial water facilities, sanitary sewer facilities, earth stabilization, storm sewer facilities, railroad, electricity, natural gas, buildings, structures, telecommunications infrastructure, and port facilities in the state of Washington.

“Economic development purposes” means those purposed which facilitate the creation or retention of businesses and jobs in a county.

“Economic development office” means an office of a county, port districts, or an associate development organization as defined in RCW 43.330.010 which promotes economic development purposes within the county.

## ***Funds Availability***

All funds awarded under this program will be available in the form of reimbursable grants. The funds will be available for reimbursement beginning January 1<sup>st</sup> of the calendar year following the award notification, unless otherwise allowed by the Kittitas County Board of Commissioners.

Kittitas County recognizes that some projects may be large and complex, requiring multiple funding sources and years to complete. In that regard, awarded funds will remain available for reimbursement for a period of five years following the award notification. Any unexpended funds will be returned to the Distressed County Sales and Use Tax Grant Fund and made available for future applications. Formal requests for extension of the five-year deadline for reimbursement may be made in writing to the Kittitas County Board of Commissioners (BOCC). The BOCC has final say on all extension requests.

All reimbursement requests must be submitted to the Kittitas County Department of Public Works for payment.

## ***Review Process***

The county is required to consult with all cities, towns, and port districts located within the county and the associate development organization serving the county to ensure that any expenditures of this funds meets the goals of chapter 130, Laws of 2004 and the requirements of RCW 82.14.370. To comply with this requirement, the county will seek the assistance of the Council of Governments (COG). The COG is comprised of two representatives from each municipality within Kittitas County, including Roslyn, South Cle Elum, Cle Elum, Ellensburg, Kittitas, and Kittitas County.

The Council of Governments (COG) will review all applications and score them based on the information provided by the applicant and the Project Rating Criteria as presented in the application. The COG will then make funding recommendations to the Kittitas County Board of Commissioners (BOCC).

The Project Rating Criteria are as follows:

- A. The Degree to which the project demonstrates the ability to encourage economic development within the community.
  - a. 10 points possible
- B. Demonstrated ability of the project to promote local and/or regional revitalizations.
  - a. 10 points possible
- C. Degree to which the project meets local and/or regional economic plans, policies, and goals. Additional points awarded for multiple categories.
  - a. Project is consistent with local/community goals/plans.
    - i. 5 points.
  - b. Project is identified on approved local policy/community/comprehensive plan.

- i. 2 points.
  - c. Project is identified and consistent with regional goals/plans.
    - i. 3 points.
- D. The expectation of the population within the geographic area to use, benefit from, or be served by the project. Additional points awarded for multiple benefits.
  - a. Population will use.
    - i. 5-6 points.
  - b. Population will benefit.
    - i. 1-2 points.
  - c. Population will be served.
    - i. 1-2 points.
- E. Demonstrated need v. lack of available opportunities for, or limited resources of sponsoring agency for securing alternative funding. Additional points possible.
  - a. Alternative funding sources available.
    - i. Up to 4 points.
  - b. Alternative funding available/agency limited in their ability to secure.
    - i. 4-8 points.
  - c. Agency resources limited /no probable alternative funding source.
    - i. 8-10 points.
- F. Demonstrated local and/or regional support for the project. Additional points awarded for multiple partners providing additional funding.
  - a. 1 partner.
    - i. 5 points.
  - b. 2 partners.
    - i. 8 points.
  - c. 3 or more partners.
    - i. 10 points.
- G. Demonstrated ability that the project is construction ready (funds obligated can be spent during current year funding). Additional points awarded for completed items.
  - a. Right-of-way acquired or not needed.
    - i. 4 points.
  - b. Project design and/or plans complete.
    - i. 2 points.
  - c. Project ready to construct or implement.
    - i. 2 points.
  - d. Environmental process complete and permits obtained.
    - i. 2 points.
- H. Leverage by local matching funds. Minimum project match is 13.5%. Additional points awarded for greater matching funds as a percentage of total project cost.
  - a. 13.5% matching threshold satisfied.
    - i. 11 points.
  - b. 13.6% - 23.5% matching funds.

- i. 12 points.
  - c. 23.6% - 33.5% matching funds.
    - i. 13 points.
  - d. 33.6% - 38.5% matching funds.
    - i. 14 points.
  - e. Over 38.6% matching funds.
    - i. 15 points.
- I. Number of businesses or jobs created or retained.
- a. Up to 10 points.

The highest attainable rating score is 100 points.

All applicants will be notified as to the date and time of review of their application by the COG. All applicants will be given the opportunity to present their application to the COG and answer questions.

The BOCC will consider recommendations for grant awards by the COG at a later date. The BOCC will make all grant awards. The decision of the BOCC is considered final.

## ***Section 2 – Application Instructions***

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Grant applicants shall follow the instructions below in preparing their proposal.

- Complete the supplied application forms using a computer. No hand written forms. (We will need to work with IS to make it so the form is “fill-in” capable)
- Do not use graphics or formatting embellishments beyond those within the application.
- Answer each question and sub-question individually in each section.
- Leave in the question and directions. This way we will be sure of the question you are answering, and it will also facilitate easy review for the Council of Governments (COG).
- Use single spaced 12 point Times New Roman or similar font.
- Make certain you are answering the questions. For instance, if the question asks “how,” please answer how, not whether or when.

### **Please also include the following:**

- A detailed 8 ½” x 11” vicinity map that clearly shows the project.
- A signature from the local/regional economic development organization supporting the project.
- Any other information pertinent to the application you would like the COG to consider.

**Applications are due by 5:00 PM, June 30, 2011 at the Kittitas County Department of Public Works Office.** You will be notified that your application has been received and accepted by COG.

Kittitas County Department of Public Works  
Distressed County Sales and Use Tax Grant Fund  
411 North Ruby Street, Suite 1  
Ellensburg, WA 98926

**Please submit 1 original and 12 copies of the entire application (13 total).**

Note: Incomplete applications will be rejected.

## ***Question Instructions***

**Applicant Information (page 1 of the application):** Please fill in all areas completely. The applicant is the agency requesting funding. The contact name will be considered the leader of the project for the applicant agency. The contact should also be the individual who will present the project and be available for questions from the COG.

**Applicant Thresholds (page 1 of the application):** Your project must meet each of these requirements to be considered. Please check each box and include the necessary documentation with your application. If your project does not meet all of the listed requirements, it will not be considered for funding.

**Project Budget (page 2 of the application):** The top line (Distressed County Funds Requested) is to list how much funding you are asking the COG to consider awarding your project. The columns to the right then ask you to include the specific breakdown as to in what phase or phases (if a construction project) the money will be utilized. Please be as accurate as possible.

The following lines and columns are for other funding sources you have secured or applied for. Again, please be as accurate as possible and fill in the final column for each signifying the status of the funding source.

The “Project Total” line is for the total cost of the project the application represents. The sum of all the funding source line should accurately add to the figure listed here. Additionally, please also accurately include the breakdown for phases listed to the right, again making sure the sum of the previous columns is equal to the amount placed on this line.

**Distressed County Fun Matching Ratio (page 2 of the application):** This line is to show what percentage of the total project budget the applicant is providing in local funding. For instance, if the total project budget is \$100,000 and the application is for \$50,000 with combined other funding sources of another \$50,000 and the local funding source component is \$20,000, the Ratio would be 20%.

A simple equation to answer this question from the Project Budget is:

$$\frac{\text{(Local Government + Other (if a local funding source))}}{\text{Project Total}} = \text{Distressed County Fund Matching Ratio (converted to a percentage)}$$

**Project Narrative (starts on page 3 of the application):** Please answer each question and sub-question completely. Incomplete applications will not be considered for funding. You may attach additional information necessary to answer the questions as needed.

**Special Instructions: Please follow the following instructions as listed below for specific questions in the Project Narrative.**

**Question 6:** Please attach the pertinent sections of the agency’s plans as listed with which the application is consistent.

**Question 9:** Please attach a copy of any feasibility or predevelopment studies.

**Question 11:** You must include the basis, methodology, and calculations upon which your businesses created/retained estimate is based. Simply providing a number or approximate number will not be considered a complete answer and will result in your application being rejected from consideration.

**Question 12:** You must include the basis, methodology, and calculations upon which your jobs created/retained estimate is based. Simply providing a number or approximate number will not be considered a complete answer and will result in your application being rejected from consideration.

*Potential Example Answer for Question 12:*

*We have completed a survey of local contractors likely to bid on a project such as this. Our results (data provided as attachment) show that due to current economic conditions, a greater supply for building services necessary for this project exists in the local market than demand for those services. As a result, most of those surveyed indicate lower levels of employment than in the past, including reducing workforce levels up to 50% and/or intermittent work with extended periods of temporary layoffs due to lack of work.*

*A project this size, according to our estimates (data provided as attachment) will require (X) skilled construction laborers for approximately (X period of time), (X) subcontractors employing (X) laborers for approximately (X period of time), and well as (X) support staff (administrative, clerical, management) for (X period time). The agency will also be employing a half time project manager to oversee the project.*

*Most studies (two examples attached) believe that Washington State's building industry is only beginning to recovery and may never reach employment levels previously seen. Keeping that in mind and being conservative while taking into account the current economic environment of Upper Kittitas County and especially the depressed construction industry, we estimate at least (x) jobs will be retained for at least (X) months (the term of the construction phase of the project). In addition, as the agency does not currently employ a qualified project manager, at least one full-time job will be created for the same period.*

*This, of course does not consider any impact to other local suppliers and supporting businesses which will certainly provide services for this project as well as those who are directly employed as a result of the project.*