

Request for Proposals

2014-2015 Lodging Tax Fund

Submission Deadline: Friday, ~~December 6th~~ October 3, 2014

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

2014 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, 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 and capital expenditures of tourism-related facilities owned or operated by a municipality or a public facilities district created under chapters 35.57 and 36.100 RCW; or
4. 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.**

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).

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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).

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SUBMITTAL INSTRUCTIONS

Please return **ONE COPY** of ~~pages 3 – 6~~ 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, Suite 108,

Ellensburg, WA 98926

~~Applications must be received no later than 5:00 p.m., Friday December 6th October 3, 2013~~2014 or
postmarked no later than October 3, 2014. }

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 electronically to the following email address: bocc@co.kittitas.wa.us.
Applications may be faxed to: 509-962-7679

Schedule:

- Applicant Workshop (*attendance at one workshop is strongly encouraged*)
Ellensburg City Hall Council Chambers—~~2:00 PM~~ November 14th,
~~2013~~9/24/2014, 2 PM and 9/17/2014, 2 PM
Upper Kittitas County District Court, Cle Elum—~~2:00 PM~~ October 23rd,
~~2013~~9/16/2014, 2 PM and 9/23/2014, 9 AM
- Application deadline December 6th,
~~2013~~10/3/2014
- Oral presentations of proposals to county-wide LTAC January 8th,
~~2014~~11/21/2014
- Applicant Award Notification and fund availability January 31st,
~~2014~~12/31/14

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

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205 W 5th, Suite 105
Ellensburg, WA 98926

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

Project Reporting Requirements:

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

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

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

Applicant Categories and Eligibility:

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

The **New Project/Events** category is for applications from events/projects which are within the first three 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 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.

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

Considerations

Money allocated to projects is expected to result in a return of economic investment. Not-for-Profit organizations will be given preference.

Award Preferences:

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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.

APPLICATION FOR 2014 LODGING TAX GRANT FUNDING

Name of Organization: _____

Organization mailing address: _____

Organization contact person & title: _____

Organization/contact phone: _____

Email: _____

Organization Website: _____

Federal Tax ID Number: _____ UBI Number: _____

Organization is a (select one): _____ Government Entity

_____ 501(c)3

_____ 501(c)6

_____ Other _____

(note: you must submit 501(c)3 or 501(c)6 approval documentation)

Event Name: _____

Event Date: _____

Amount of Funding Requested: \$ _____

Geographic area(s) of the County being served: _____

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

____ New Project/Event

____ Ongoing Event Support

Estimated # of overnight stays: _____ ~~Estimated Return on Investment: \$ _____~~

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
____ High season	June – September

APPLICATION QUESTIONS

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

1. Please provide a description of your project/event and identify the specific tourism audience/market that your organization will target with these funds.
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, Chamber of Commerce or other groups to encourage tourism, how is this accomplished? (please list-explain below)

Other Organization	Collaboration Example
Chamber of Commerce (example)	Larger ad purchase

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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. You must limit any additional written information to one page and any other additional attachments to 3 pages.

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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. The budget ~~should~~ must include anticipated revenues, expenditures, and any potential profit or loss. For projects/events which are ongoing for more than 1 year, please also submit actuals from the previous three 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.

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9. Has your event received Lodging Tax funds in previous years?
Yes ____ No ____

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

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

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	Prior Year	Projected
A. How many participants and spectators attended last year's activity?	_____	_____
B. How many days did your event occur?	_____	_____
C. Room nights booked (Contact Chamber's Director of Tourism)	_____	_____
D. What was the Return on Investment? (Contact Chamber's Director of Tourism)	_____	_____

$$CPM = \frac{\text{COST OF INVESTMENT} \times 1000}{\text{IMPRESSIONS}}$$

$$ROI = \frac{(\text{Gain from Investment} - \text{Cost of Investment})}{\text{Cost of Investment}}$$

E. List the amounts awarded for each year: _____

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

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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.

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Certified by: (signature) _____
(print name) _____
Title: _____
Date: _____

Lodging Tax Grant Application Rating Form

Criteria	Points Possible	Application Questions	Points Awarded
- Partnerships	- 5 Yes = 5 No = 0	- - - Question 5	- - -
- 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	- - - -
- Supports County as Tourism Destination	- 15 yes = up to 15 No = 0	- - - Question 2, 3, 5, 7	- - - -
- Attributable Lodging Stays	- 20 0 = 0 1-30 = 5 31-100 = 10 101-250 = 15 More than 250 = 20	- - - - Question 9	- - - - -
- 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	- - - - -
- Sustainable Future Funding Identified	- 10 yes = 10 No = 0	- - - Question 6	- - - -
-	-	-	-

Total Points: / 100

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Submission Checklist

For office use only

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Please mark “yes” or “no” to each criteria below:

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

Applicant answered each question.

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

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

The application was submitted on time.

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

Please date stamp the application and initial.

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