

**2017 LODGING TAX SERVICES AGREEMENT
BETWEEN KITTITAS COUNTY AND THORP MILL TOWN HISTORICAL PRESERVATION
SOCIETY**

This Contract, effective January 1, 2017 is made and entered into by and between KITTITAS COUNTY ("County"), a subdivision of the State of Washington, and Thorp Mill Town Historical Preservation Society ("Contractor") for 3rd Annual Thorp Mill Antiques Market & Appraisals.

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 five thousand dollars (\$5,000.00).
- 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 five thousand dollars (\$5,000.00).
- 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: Auditor's Accounting
205 West 5th Ave – Suite 105

- 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:
 - Advertising-online, print, radio & signage
 - Venue rental
 - Insurance
 - Services-equipment rental, appraiser fee, wireless service
 - g. Contractor is not eligible to claim reimbursement for any items not listed in Section 2 (f) and is further expressly denied funding for the following items as requested in the application as defined in Section 1(a): N/A
 - h. Contractors requesting reimbursement for event-specific expenses shall submit all claims as no more than two reimbursement requests with supporting documentation.
 - i. ** Contractors must complete the Lodging Tax Reimbursement online training course provided by the County Auditor's office prior to filing reimbursement claim. Requests for reimbursement will not be accepted by the County Auditor prior to the training being completed. The training may be found online at the Kittitas County Auditor's website at the following address: <http://www.co.kittitas.wa.us/auditor/default.aspx>
- **new

Section 3. Performance by Contractor.

- a. Contractor shall not (by contract, operation of law or otherwise) delegate or subcontract performance of any Services to any other person or entity without the prior written consent of the County. Any such delegation or subcontracting without the County's prior written consent shall be voidable at the County's option.
- b. Contractor shall at all times be an independent contractor and not an agent or representative of the County with regard to performing the Services. Contractor shall not represent that it is, or hold itself out as, an agent or representative of the County. In no event shall Contractor be authorized to enter into any Agreement or undertaking for or on behalf of the County. It is understood that the Contractor and the Contractor's staff and employees are not employees of the County and are not, therefore, entitled to any benefits provided employees of the County.
- c. Contractor shall comply with all applicable laws, ordinances, rules, regulations, orders, licenses, permits, and other requirements, now or hereafter in effect, of any governmental authority (including, but not limited to, such requirements as may be imposed upon the County and applicable to Services). Contractor shall furnish such documents as may be required to effect or evidence such compliance. All laws, ordinances, rules, and orders required to be incorporated into agreements of this character are incorporated into this

Agreement by this reference. Contractor agrees to obtain all required licenses and permits, and further agrees to keep them in full force and effect during the term of this Agreement.

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

Section 4. Release, Indemnity, and Hold Harmless.

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

- Any fault, negligence, strict liability or product liability of Contractor in connection with the Services for this Agreement;
- Any lien asserted upon any property of the County in connection with the Services for this Agreement;
- Any failure of Contractor, or of the Services, to comply with any applicable law, ordinance, rule, regulation, order, license, permit and other requirement, now or hereafter in effect, of any governmental authority; or

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

Section 5. Compliance with Public Records Law.

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

Section 6. Industrial Insurance Waiver.

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

Section 7. Insurance and Endorsements.

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

afforded by the policies shall be primary insurance, and that any insurance, self-insured retention, deductibles, or risk retention trusts maintained or participated in by the Parties shall be excess and not contributory to any other insurance maintained by the County. Contractor shall furnish the County a certificate of insurance with Endorsement as evidence that the required policies are in full force and effect.

Section 8. Termination.

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

Section 9. Miscellaneous.

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

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

KITTITAS COUNTY

BOARD OF COUNTY COMMISSIONERS

Chair

Vice Chair

Commissioner

ATTEST: _____
_____, Clerk of the Board

APPROVED AS TO FORM:

Deputy Prosecuting Attorney

CONTRACTOR

[Print Name]

[Address]

[Telephone]

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

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

SEP 30 2016

1st _____ 2nd _____ 3rd _____
all times subject to change of _____

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). *New*

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

RECEIVED

SEP 30 2016

1st _____ 2nd _____ 3rd _____
KITITAS COUNTY BOARD OF COMMISSIONERS

Request for Thorp Mill Town Historical Preservation Society

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 reappropriation. 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 nonsubstantial 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 509-9627508. 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 FOR 2017 LODGING TAX GRANT FUNDING

Name of Organization: Thorp Mill Town Historical Preservation Society
Organization mailing address: P.O. Box 7
Thorp, WA 98926
Organization contact person & title: Brian D. Carroll
Vice-President, Board of Directors
Organization/contact phone: 978-578-3580
Email: info@thorp.org
Organization Website: www.thorp.org
Federal Tax ID Number: 91-1386607 UBI Number: 601055845

Organization is a (select one): ☐ Government Entity
☒ 501(c)3
☐ 501(c)6
☐ Other _____

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

Project/Event Name: 3rd Annual Thorp Mill Antiques Market & Appraisals
Project/Event Date: Saturday, July 15, 2017
Project/Event Location: Thorp School, Thorp, WA

Amount of Funding Requested: \$ \$8,770.00

For which funding category(ies) do you qualify (see instructions for definitions): _____
New Project/Event
☒ Ongoing Project/Event Support

Estimated # of overnight stays: 135

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. You must include an itemized list of exactly how any grant funds awarded will be utilized.**

Following the success of our second annual event this past August, the Thorp Mill Town Historical Preservation Society (Thorp Mill) is hosting a single day event, the **3rd Annual Thorp Mill Antiques Market and Appraisals**, scheduled for Saturday, July 15, 2017. This is a unique event—the only regular antiques appraisal event and antique market in central Washington. Thorp Mill is perfectly suited to host this event, as we attract annually more than 8,500 visitors to our site, advertise aggressively for the event, and have the reputation and visibility needed to execute such a happening.

Our first two events in August of 2015 and 2016 were resounding successes. Across the two years, we are pleased with the number of attendees, how many vendors we were able to attract and, in general, the public reception to the event. We averaged over four hundred attendees/shoppers, over one hundred appraisals, and twenty-five unique vendors (we filled every available vending space). The event averaged 104 overnight stays in area lodging and accommodations, 171 day visitors from outside 50 miles, in total generating \$41,640.00 spent in the county by both attendees and vendors (see #3). Further, ticket sales produced \$2,155.00 in revenue for the Thorp Mill on average across the first two years.

In light of what we have learned from our first two years of the event, we plan two significant changes in this third year. First, we are moving the date from the first weekend in August to the 15th of July. In the first two years, we piggybacked upon the largest antiques show in the region, the Clayson Farms show at the Yakima Fairgrounds; we had coordinated our event with theirs and shared some of the visitors. Unfortunately this approach also reduced the number of potential vendors, who chose the larger venue. Hence we have selected a date in which we are the only antiques show in the state. Second, by request of the vendors, this year will be a one day event. The reason is two-fold: the vast majority of our visitors came on Saturday, and the vendors requested the change. We realize that this change will half the number of overnights spent by the 50% of the vendors who are out-of-region (they will still be staying overnight after the Friday set-up). However, as all of our visitors treat this as a one day event, the 37% of our visitors staying overnight will not change.

This annual event serves to:

- draw to Kittitas County out-of-region tourists with disposable income as well as antique collectors and enthusiasts from around the Pacific Northwest
- promote the history of Kittitas County, an integral part of the Thorp Mill's mission
- forge and strengthen our relationships with other county organizations with whom we are partnering for the event
- provide a regular source of fundraising to complement money raised from our annual auction, memberships, and other sources (grants, donations, etc.) that will contribute to

preserving the mill itself and to making our various programs and initiatives *self-sustaining*

- this year's function will produce an estimated \$52,975.00 of total spending in Kittitas County, and we expect to grow the event to over 600 attendees and increase our offerings to approximately 50 vendors, and increase our revenues from the event to over \$6,500.00.

We are arranging for 50 vendors and several appraisers and planning to attract 600 people for the event this third year. In order to build on the success of our first two years, the Thorp Mill requests **\$8,770.00** from the Lodging Tax Committee, primarily for the planning, marketing, and promotional costs associated as well as, to a lesser extent, the rental & purchase of key services and supplies (see attached budget for more details). Thorp Mill plans to raise in excess of \$11,649.92 in matching funds over the next ten months—through other outside grants, sponsorships, solicited monetary donations, plus the value of donated labor, supplies, equipment and facilities. We have developed a five-year strategic business plan for the event, and losses in the first two years were covered by Thorp Mill's resources, along with funds from other non-lodging tax grants. We expect to turn a profit and become self-sustaining by the fourth year. Annual profits will be reinvested into expanding the event in subsequent years, building to a fully-sustainable, profitable event by 2018's 4th Annual Thorp Mill Antiques Market and Appraisal event.

2017 Antiques Market & Appraisals: Summary of How Grant Money would be Spent	
Rental of venue	\$ 285.00
Insurance for event	110.00
Advertising (online, print, radio, & signage)	6,000.00
Services (equip. rental, wireless service, appraiser fee, coordinating costs, & sundry materials)	2,375.00
Total	8,770.00

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 place of residence or business and staying overnight in paid accommodations: 135 (50% of visitors & vendors from > 50 miles away)
- II. To a place fifty miles or more away from their place of residence or business for the day or staying overnight: 441
- III. From another country or state outside of their place of residence or business: 32

Evidence utilized in determining our projections:

These projections were based upon data obtained from our exit surveys and collection of each visitor's ZIP code that were gathered during our 2015 and 2016 Antique Shows. Projections were calculated from these data by a professional economist, using standard sampling techniques. We assumed growth to 600 attendees (2017). We used the same proportions as previous years: 50

miles or more away (37%), out of State or country (5%), and overnight stay in paid accommodations (50% of those from >50 miles), that were obtained from our exit survey.

2015-16: Across the past two years, we averaged 431 attendees/shoppers, over one hundred appraisals, and twenty-four unique vendors (we filled every available vending space). The event averaged 104 overnight stays in area lodging and accommodations, 171 day visitors from outside 50 miles, and an estimated \$4,000 of purchases from local vendors in the show, in total generating \$41,640 spent in the county by both attendees and vendors from >50 miles.

Projected 2017 Local Spending: \$52,975

We assume that half of the vendors, who must set up on the previous afternoon, will stay overnight. Similarly, we will assume that half of the visitors from >50 miles will stay overnight, the other half will spend the day locally. We will not know how many will actually overnight until we give out the survey at the event; the information gleaned will be useful for projections of future years.

Local spending is the sum of:

135 overnight stays X \$185 spent	\$24,975
222 daytrips from >50 miles X \$100	\$22,000
<u>Spending on local show vendors</u>	<u>\$6,000</u>
Total Local Spending	\$52,975

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 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?

I. The "Thorp Mill Antiques and Appraisal Market" is a date-specific event that has a spillover impact for the Thorp Mill and Kittitas County. Visitation records indicate that large-scale events (such as the annual Thorp Mill Auction, now in its 26th year) not only increase exposure in the surrounding weeks, but also maintain public visibility throughout the year. Museums that have well-established "Antiques Roadshow" type events have discovered that fundraising is only a partial benefit; a close second is that annual events of this magnitude greatly increase the museum's reputation within the region.

II. We were able to measure the impact of marketing efforts for the 2015 and 2016 Thorp Mill Antiques Market through two mechanisms, 1) a customer survey that was filled out by 23% of shoppers and 2) through **gathering the residential zip codes of all attendees**. This yielded insights that will shape our marketing efforts for 2017: 37% of shoppers reside in places that are more than 50 miles away; 58% reside outside of Kittitas County; the remainder are from within the county. The 2017 marketing campaign will reach potential shoppers throughout the greater Pacific Northwest, specifically targeting regional urban centers, such as Seattle, Portland, Tacoma, and the Tri-cities. Marketing will include print advertisement, direct mail, flyers, radio, online advertising, and social media.

- Print advertisement will be a significant component of this marketing effort, and we will use newspapers and leisure magazines widely read in these urban centers, as well as in wealthy satellite communities. Additionally we will purchase advertising in nationally recognized antiques publications in an effort to attract shoppers who make antiquing an important part of their family vacation. Seven days prior to the event we will purchase print advertisements with local newspapers.
- Social media and online marketing reached millions of potential shoppers in 2015-16. In 2017 we will expand our use of Facebook. We will also expand by beginning a campaign with Google Ads, as well as working to develop a robust presence on both Yelp and Trip Advisor.
- Radio advertisement will be concentrated in popular stations on the west side, as we discovered that east side stations provided little impact.
- Direct mail is most beneficial in reaching antique vendors and shop owners located 50+ miles away, and we will continue this effort.
- Flyers will be placed at other antiques shows within the region (a strategy we employed in 2015-16, with board members traveling to nearly a dozen antique shows located hundreds of miles away). One month before the event we will post flyers at antique and vintage stores in the Seattle metropolitan area (e.g. Seattle Antiques Market, Fremont Vintage Mall). Fourteen days prior to the event, flyers and signs will be hung throughout Kittitas County.

The timing of this event has been changed from the two prior years when it coincided with Clayson Farms' antiques show "American Primitives," located at the fairgrounds in Yakima, Washington. We had cross-promoted our two events to long-distance tourists. What we discovered during 2016 is that the larger antiques show on the same weekend co-opted our ability to attract a growing number of quality vendors. Therefore we have chosen to go it alone on July 8th, the Saturday of a weekend in which there will be no competitive antique shows. Upon request from vendors, we have also chosen to limit our event to a Friday set up and a Saturday show with longer hours. We are trying this schedule in light of the low turnout of visitors on Sunday in 2015-16.

III. Tourism marketing must be a collaborative effort and along these lines the Thorp Mill website includes the Kittitas County Tourism logo, as well as the My Ellensburg logo. It also offers links to **MyEllensburg.com**, the Kittitas County tourism website (**centralwashingtongcolor.com**), and the website for the Kittitas County Chamber of Commerce. Other strategies will also be employed to promote county-wide tourism:

- The webpage for the 2017 Thorp Mill Antiques Market will provide information on lodging in Kittitas County.
- Social media will feature the Kittitas County tourism logo, as well as the My Ellensburg logo, and will include links to MyEllensburg.com, Central Washington Color, and the website for the Kittitas County Chamber of Commerce.
- Print advertising, flyers, and direct mail will bear the logos of the Kittitas County Chamber of Commerce, Central Washington Color, and My Ellensburg. In addition to these logos, flyers for the 2017 Market direct readers to both Myellensburg.com and centralwashingtongcolor.com. See QUESTION #7

- Pamphlets, flyers, or other promotional materials for county venues (lodging, restaurants, wineries/breweries, museums, shopping) will be prominently displayed at the entrance/exit to the Market.

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?**

In addition to applying for the 2017 Lodging Tax Grant, Thorp Mill will also offer matching funds in the form of volunteer labor and donations:

Matching Funds

Volunteer labor (\$28.99 * 208 est. hours) ¹	\$6,029
Expected donations:	\$1,600

The Thorp Mill applies for grants each year and has an impressive track record for obtaining resources that provide for necessary building repairs and maintenance. We have not yet secured other grants for this project, but are applying for several grants in 2015/2016 that would fund brick and mortar and capital projects, ultimately improving our tourism facility and moving the Thorp Mill onto a more sustainable pathway:

2017 Grants (in process)

Valerie Sivinski Washington Preserves Fund	\$2,000
Heritage Projects Capital Fund	\$50,000
USDA Rural Community Facility Development Grant	\$50,000
Legends Casino Charitable Fund	\$6,000

Sustainability is the long-range goal for the Thorp Mill Antiques Market. If the Market does not receive Lodging Tax funding in this critical third year, it would severely impact progress towards this goal. Ultimately this would jeopardize the Mill's attempt to create a second sustainable fundraising event (in addition to the annual auction) and would thus impact the Mill's ability to achieve financial sustainability and independence in the next four years. Potentially this could be harm the upkeep and maintenance of a precious historic resource and tourism site in Kittitas County. If there were no Lodging Tax funding, it would severely limit promotion resulting in a greatly-reduced ability to reach long-distance consumers.

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?**

Thorp Mill continues to develop and maintain partnerships with a number of non-profit organizations, privately owned companies, and public entities in Kittitas County to help promote not just this event but to attract visitation and increase tourism throughout the county.

¹ <https://www.independentsector.org/>

- **The Kittitas County Chamber of Commerce:** Thorp Mill maintains membership in the Kittitas County Chamber of Commerce and actively promotes visitation to other sites throughout the county through distribution of the Chamber's brochures and information. The Chamber was instrumental in helping the Thorp Mill plan and promote the inaugural antique market and appraisal event last summer. The goal for this year concerns increasing the size of the event and the number of visitors. Continued cooperation with the KCCC in developing the promotional campaign is essential to successfully achieving this goal.
- **The Cascade Association of Museums and History(CAMAH) :** This association is a consortium of museums, historic sites, genealogical societies and libraries brought together to cross promote the historical resources of Kittitas County and increase the visibility of the partnering organizations both within and beyond the region. During the organization and planning of previous years' events, the Thorp Mill extended an invitation to all the partnering organizations of CAMAH to have informational booths at our event, free of charge. This allowed visitors to learn about the variety of places to see and experience in the local area, extending their visit to the Kittitas Valley. This space will once again be made available to CAMAH members once again.
- **Thorp School:** The Thorp community school rented use their gym facility for the 2015 and 2016 events, and will be partnering again with us to host the 2017 event. This partnership was mutually beneficial, providing an exceptional space for the event, one that has adequate parking, facilities and is easily accessible from I-90. This event also provided a revenue stream to the school during what normally would be a slow time of the year.
- **Central Washington University:** The partnership with CWU continues to bring student interns and volunteers from the Departments of History, Anthropology, Economics, Resource Management, and Recreation and Tourism to Thorp Mill to learn all aspects of museum management and event planning. CWU also provides one full-time graduate student to assist in Thorp Mill management and administration. These student volunteers, interns and assistants were key helping last summer's event run smoothly and successfully. In the coming years, this cooperation will be of increasing importance as the event grows- the increasing size and visibility of the antique market will also increase the opportunities for students to learn about event production and gain valuable experience. Additionally, CWU posts notices concerning this event and others at the Thorp Mill on campus, which has drawn people traveling to the CWU campus to visit the advertised events and the Thorp Mill Museum as well as raising awareness of the Kittitas Valley as a travel destination with many attractions to offer travelers.
- **Thorp Community Days Committee:** Thorp Mill collaborates actively Thorp Community Days Committee to increase visitation to Thorp and raise the visibility of the local arts and businesses. The Thorp Community Days Committee took the Thorp Mill up on the offer of a table at the Antique Market and Appraisal event in order to raise awareness of/promote the October Community Days event. For the upcoming Community Days, the Thorp Mill will act as an anchor point for the parade, as well as hosting the stage for one of the musical acts who will be performing throughout the day.

- **Joseph's Grainery:** The partnership of the Thorp Mill with this Washington-based, family owned wheat farm and grain has been extraordinarily successful. Joseph's Grainery products are sold at the Mill and help support museum operations. The company has offered support and promotional materials to the Thorp Mill for events such as the auction and antique market.
- **A Simple Life Magazine:** A nationally distributed lifestyle magazine. *A Simple Life*, focuses on country antiques and folk art, history and pioneer life. The magazine is supports museum operations and the Thorp Mill Museum is the first and only distribution point in Washington for the magazine. *A Simple Life* magazine helps present and promote antique events such as the "Days of the Pioneer," an antique market and event supporting the Museum of Appalachia in Eastern Tennessee. Continued development our partnership with *A Simple Life* will enable the Thorp Mill to reach a wide audience well beyond the immediate region.
- **Other Partnerships:** Thorp Mill Antiques Market partnered with a number of other local businesses, particularly small-businesses in the past few years. These include (in 2015) two independently-owned food trucks—the Ellensburg-based *Tacos Chalitos* and Clarkston-based *Kenzie's Coffee*, and (in 2016) the Ellensburg-based restaurant *The Valley Café*. We hope to expand such partnerships in the coming years, particularly with more Kittitas County based food trucks and providers. In 2015, we also contracted with Ellensburg-based *Simplified Technologies, LLC* to supply wireless internet service for the event, allowing businesses to run credit cards and giving appraisers the ability to research items they assessed. Further, for advertising purposes, we worked with Yakima-based *American Primitives Market* to co-promote our event statewide in 2016.
- **Potential Partnerships:** Ample space at Thorp School allows for activities that can complement our show and attract additional customers. We are exploring the possibility of vehicle shows on the grounds that same day. Groups contacted include the *Vintage Campers Club* and the *Old-Time Iron Club*. Both have expressed interest. We expect our negotiations with those organizations to be complete before the public Lodging Tax Meeting in November.

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.

Unlike the Mill's annual auction, which is in its 26th year, the Antiques Show is an iterative work in progress. Our second year of the show fell short of our initial projections for reasons expressed in question #3: primarily, that we scheduled the 2016 event on the same weekend as the Clayson Farms show. This limited our number and quality of vendors, which in turn limited visitor turnout. Also, we cut our advertising budget by over 15%. By choosing a unique weekend for 2017 we feel confident that we can begin an upward spiral of better vendors attracting more visitors which will attract more vendors in future years. Having used the complete public areas of the new Thorp School this year, we plan to expand our venue in 2019 or sooner to use the old Thorp School as well. Having received positive feedback from vendors this year, we plan to gradually increase our entry and vendor charges to match those in competing well-established shows. Profitability in our first two years and projections for the next three years are shown in the table below.

In order to assure conservative estimates of profitability, we have maintained the same entry fees and vendor fees across the five years in our calculations. If we calculated, for example, vendor revenues for year 2019 based upon typical antique show charges of \$100 per vendor, our vendor fees would increase from \$2,450 to \$7,000, thus increasing our 2018 profit to \$7,130. Similarly, increasing vendor fees in 2018 to \$50 per vendor would increase our profits to \$1,130.

Revenues:	2015	2016	Projected 2017	Projected 2018	Projected 2019
Entry fees	\$2,520 (504 visitors)	\$1,790 (358 visitors)	\$3,000 (600 visitors)	\$3,500 (700 visitors)	\$5,000 (1,000 visitors)
Appraisal fees	\$575 (115 appraisals)	\$230 (46 appraisals)	\$750 (150 appraisals)	\$1,000 (200 appraisals)	\$1,000 (200 appraisals)
Vendor fees	\$0 (25 vendors)	\$845 (22 vendors)	\$1,750 (50 vendors)	\$2,100 (60 vendors)	\$2,450 (70 vendors)
Misc. (coffee cart)	\$0	\$30	² \$1000 (food + coffee)	\$1,500 (food + coffee)	\$2000 (food + coffee)
Total Income:	\$3,095	\$2,894	\$6500	\$8,100	\$10,450
Expenses:	2015	2016	Projected 2017	Projected 2018	Projected 2019
Advertising	\$6530	\$5,482.49	³ \$6,000	\$5,000	\$5,000
Appraiser fee	\$300	\$300	⁴ \$450	\$450	\$450
Coordinator fee	\$1,625	\$1,625	\$1,625	\$1,625	\$1,625
Food vending supplies			\$300	\$400	\$400
Facility rental	\$570	\$570	\$285	\$285	\$285
Misc. (internet, printing)	\$881	\$0	\$0	\$0	\$0
Insurance	\$140	\$220	\$110	\$110	\$110
Total Expenses:	\$10,046	\$8,197.49	\$8,770	\$7,870	\$7,870
Total Profit/Loss:	-6,951	-5,303.49	-2,270	\$230	\$2,580

² In previous years we have invited Ellensburg food vendors to the Market. In 2017 we will increase revenue by providing food services at the event.

³ Our advertising budget will be divided as follows: \$1,800 for online (Facebook, Google Ads, digital ads in newspapers), \$2,000 for print ads in newspapers and magazines, \$2,200 in direct mail, flyers, and postcards.

⁴ In order to grow appraisal fees—despite the fact that the event will be one day instead of two—we will hire two additional appraisers.

Excerpts from:

Tony Buhr, "500 People Show Up for Second Annual Appraisal Event," Daily Record (Ellensburg, Wash.), 8/15/2016.

"[Close to] 500 people, 30 vendors and two appraisers, one for each day, attended the two-day event at the Thorp School District gymnasium. It was put on by the Thorp Mill Historic Preservation Society and received funds from the Kittitas County lodging tax grant program."

"Ross and Patricia Minshull brought their items to be appraised. They had Native American Makah woven baskets, a Winnie the Pooh book and a toy car. The baskets were appraised at \$100 each. The Winnie the Pooh book was appraised at \$300 if intact. The toy car was a limited edition and would have been worth \$1,300 if it worked . . . The Minshulls said they thought the antique show was fun. 'It's great for the community and the visitors and the mill,' she said.

"Shirley Miller, a vendor at the event, had posters of old Boeing planes that came from the Boeing B2 project. Miller also was selling stamps celebrating the Apollo missions and an old leather doctor's bag from the Yakima Valley. A former doctor used to carry his medical supplies in it while making house calls during the 1940s."

"Carol Getre of Zillah, . . . said the antique show had a good selection. 'There's more primitive type things,' she said. 'The prices are pretty good.'"

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)

Revenues:	2015	2016	Projected 2017	Projected 2018	Projected 2019
Entry fees	\$2,520 (504 visitors)	\$1,790 (358 visitors)	\$3,000 (600 visitors)	\$3,500 (700 visitors)	\$5,000 (1,000 visitors)
Appraisal fees	\$575 (115 appraisals)	\$230 (46 appraisals)	\$750 (150 appraisals)	\$1,000 (200 appraisals)	\$1,000 (200 appraisals)
Vendor fees	\$0 (25 vendors)	\$845 (22 vendors)	\$1,750 (50 vendors)	\$2,100 (60 vendors)	\$2,450 (70 vendors)
Misc. (coffee cart)	\$0	\$30	⁵ \$1000 (food + coffee)	\$1,500 (food + coffee)	\$2000 (food + coffee)
Total Income:	\$3,095	\$2,894	\$6500	\$8,100	\$10,450
In-kind Contributions:	2015	2016	Projected 2017	Projected 2018	Projected 2019
Volunteer Labor	\$7,015.58 (242h x \$28.99*)	\$8,928.92 (308h x \$28.99*)	\$6,029.92 (208h x \$28.99*)	\$7,537.40 (260h x \$28.99*)	\$7,537.40 (260h x \$28.99*)
Don. services (flyer design)	\$300	\$100	\$300	\$100	\$300
Total Contributions:	\$7,315.58	\$9,028.92	\$6,329.92	\$7,637.40	\$7,837.40
Expenses:	2015	2016	Projected 2017	Projected 2018	Projected 2019
Advertising	\$6530	\$5,482.49	⁶ \$6,000	\$5,000	\$5,000
Appraiser fee	\$300	\$300	⁷ \$450	\$450	\$450
Coordinator fee	\$1,625	\$1,625	\$1,625	\$1,625	\$1,625
Food vending supplies			\$300	\$400	\$400
Facility rental	\$570	\$570	\$285	\$285	\$285
Misc. (internet, printing)	\$881	\$0	\$0	\$0	\$0
Insurance	\$140	\$220	\$110	\$110	\$110
Total Expenses:	\$10,046	\$8,197.49	\$8,770	\$7,870	\$7,870
Total Profit/Loss:	-6,951	-5,303.49	-2,270	\$230	\$2,580

*Independentsector.org value of volunteer time index.

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.

2016 - \$8,700, 2015 - \$10,000, 2014 - \$6,700, 2013 - \$5,700

⁵ In previous years we have invited Ellensburg food vendors to the Market. In 2017 we will increase revenue by providing food services at the event.

⁶ Our advertising budget will be divided as follows: \$1,800 for online (Facebook, Google Ads, digital ads in newspapers), \$2,000 for print ads in newspapers and magazines, \$2,200 in direct mail, flyers, and postcards.

⁷ In order to grow appraisal fees—despite the fact that the event will be one day instead of two—we will hire two additional appraisers.

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

	Prior Year	Projected
A. How many participants and spectators attended last year's activity and/or will attend this year?	<u>358</u>	<u>600</u>
B. How many days did/will your event occur?	<u>2</u>	<u>1</u>
C. How many room nights were and /or will be booked as a result of your project/event? (You must provide a verifiable source of information as evidence for your response to item C. Failure to do so will disqualify your application.)	<u>104*</u>	<u>135</u>

* Despite contacting local lodging institutions, we were unable to obtain occupancy data. We overcame this deficiency in verification by calculating the percentage of overnighers using our comprehensive vendor survey (filled out by 100% of the vendors), supplemented by data from our customer surveys (filled out by 24% of attendees), and our ZIP code surveys (done by close to 100% of attendees). From this we conclude 50% of our attendees from more than 50 miles away stayed overnight in Kittitas County.

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)

Brian D. Carroll

(print name)

Brian D. Carroll

Title:

Vice-President, Board of Directors

Date:

9/29/2016

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

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.

7.1 Photos from 2016 Antiques Market

Photos of the Vendor Booths & Vintage Products for Sale:





The Official Event Poster & More pictures of Vendor Booths & Customers





7.2 Customer, Vendor and Press Comments:

Event Feedback from Vendors & Customers (from surveys):

"Very good publicity."

"Entertaining show!"

"This was a very well organized and well-run event."

"Thank you, you are all great and accommodating. I like to support your cause!"

"Lovely staff, very helpful!"

Appendix 1: IRS Letter Granting 501(c)3 Status

Internal Revenue Service

District
Director

Thorp Mill Town Historical
Preservation Society
PO Box 7
Thorp, WA 98946-0007

Department of the Treasury

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

Person to Contact:
Gilda Lewis
Telephone Number:
(213) 894-2336
Refer Reply to:
EO051695
Date:
May 16, 1995
EIN: 91-1386607

Dear Taxpayer:

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

Our records indicate that this organization was recognized to be exempt from Federal Income Tax in November 1987 as described in Internal Revenue Code Section 501(c)(3). It is further classified as an organization that is not a private foundation as defined in Section 509(a) of the code, because it is an organization described in Section 170(b)(1)(A)(vi).

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

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

Sincerely,

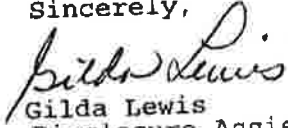

Gilda Lewis
Disclosure Assistant

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.