

Town of Friday Harbor

2018 Hotel Motel Excise Tax Grant Program Request for Proposals:

Activities to encourage tourism in Friday Harbor



INFORMATION

&

APPLICATION PACKET

Return to: Lodging Tax Advisory Committee (LTAC)
c/o Julie Greene
60 Second Street / PO Box 219, Friday Harbor, WA 98250
(360) 378-2810 / julie@fridayharbor.org

2018 LODGING TAX GRANT ALLOCATION DEADLINES:	
(Optional) Applications submitted for prescreening review:	Friday, August 25, 2017
Applications submitted for LTAC review:	Friday, September 1, 2017
Applicant presentations to LTAC; LTAC determines grant allocations:	Wednesday, September 13, 2017
LTAC makes recommendations to the Town Council:	Thursday, September 21, 2017

General

The Hotel Motel Excise Tax Grant Program provides funding to individuals and organizations that promote tourism activity in the Town of Friday Harbor. The Town Council established the program in accordance with the Revised Code of Washington (RCW) 67.28, and Friday Harbor Municipal Code (FHMC) Chapter 3.36. The source of funds is the second two percent (2%) of the four percent (4%) excise tax collected on lodging sales within the Town of Friday Harbor. The amount of funding available in any given year is determined by the Town Council and fluctuates in proportion to the level of lodging use. Grant recipients receive their fund allocation as a reimbursement for documented and paid expenses incurred within the designated grant year.

Purpose of this Request for Proposals (RFP)

The purpose of this RFP is to solicit grant funding proposals from those agencies and groups actively engaged in the promotion and enhancement of tourism within the Town of Friday Harbor during the 2018 calendar year. The Town encourages wide participation and innovative proposals. Preference will be given to shoulder season (spring/fall) tourism activities. Summer activities are acceptable; however, those scheduled for historically high traffic weekends are not advised.

Eligibility of Applicant

Applications may be submitted by any for-profit or non-profit entity, any public agency, or any group of individuals. This includes public and private agencies such as museums and galleries, historical societies, art groups, tourism advocate groups, and chambers of commerce. The Town does not discriminate on the basis of race, color, national origin, religion, sex, sexual orientation, marital status, age, or disability.

Eligibility of Project per State Law

State law allows the use of lodging tax revenues for the following: Tourism marketing, marketing and promotion of special events and festivals designed to attract tourists, support of the operation of tourism-related facilities owned or operated by non-profit organizations, or support of the operation and capital expenditures of tourism-related facilities owned or operated by a municipality. Detailed information about the use of tourism funds is available in RCW Chapter 67.28, as amended by Engrossed Substitute House Bill (ESHB) 1253 in 2013.

The following are definitions of terms relating to RCW Chapter 67.28:

Tourism: Economic activity resulting from tourists, which may include sales of overnight lodging, meals, tours, gifts, or souvenirs.

Tourism promotion: 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 the marketing of, or the operation of, special events and festivals designed to attract tourists.

Tourism-related facility: Real or tangible personal property with a usable life of three or more years, or constructed with volunteer labor that is: (a) Owned by a public entity; owned by a nonprofit organization described under section 501c3 or 501c6 of the federal internal revenue code of 1986, as amended; owned by a business organization, destination marketing organization, main street organization, lodging association, or chamber of commerce; and (b) used to support tourism or performing arts, or to accommodate tourist activities.

Eligibility of Project per Town Requirements

In addition to meeting the requirements of the State statute as outlined above and in RCW 67.28, as amended by ESHB 1253 in 2013, grant applicants must meet the following criteria:

- The project must promote tourism within the Town of Friday Harbor. Applications for projects taking place outside of the Town limits may be considered if they clearly provide a reasonably significant economic benefit to the Town.
- The project must be intended to increase tourism in 2018. Expenditures made prior to signing the grant contract, or for activities or promotions taking place before or after 2018, cannot be reimbursed with 2018 grant funds.
- The project must be of no more than one year's duration and/or one year's budget.
- The project must be able to obtain appropriate event permitting and business licensing if required by the Town's municipal code. Town staff will advise the LTAC and Town Council if proposals are found to be inconsistent with the FHMC (e.g., a regional poker tournament could not be funded as it is prohibited by the municipal code).

Selection Process

The Lodging Tax Advisory Committee (LTAC) is an advisory body appointed by the Town Council in accordance with FHMC Chapter 2.66. The LTAC is authorized to make recommendations to the Town Council regarding annual grant allocations funded with revenue from the second two percent (2%) of the Hotel Motel Excise Tax.

The LTAC reviews each application for eligible activities and the projected effectiveness of the proposed project in meeting the expected outcomes, needs, and funding requirements. Applicants are encouraged, but not required, to make a verbal presentation to the LTAC (see page two (2) of this document for meeting dates). LTAC recommendations are not subject to challenge.

The LTAC does not approve or disapprove the allocation of Hotel Motel Excise Tax grant funds. The LTAC makes recommendations to the Town Council which then authorizes the amount and use of these funds. Prior to this authorization, applicants are informed of the LTAC recommendations and may choose to address the Council directly during the public access portion of a Town Council meeting. The Town Council may adopt, amend, or disregard the LTAC's recommendations at the Council's discretion. The Council reserves the right to review all applications and to fund requests made outside of this application process.

Selection Criteria

Grant funds allocated for projects are expected to result in a return on the economic investment to the community. The LTAC may take into consideration the following questions when reviewing the project applications:

- Will the project attract off-island visitors? Is it likely to extend individual lodging stays? What other elements of the Town's economy could it impact?
- Will the project encourage tourism during the spring and fall shoulder season?
- How and where will it be marketed? Is there specific, prominent promotion of the Town? Is there inter-organizational coordination and cooperation with other events and marketing programs?
- Is this a new, unusual, innovative, and/or proven approach to tourism promotion?
- Is the project well-structured: Can the project be completed within the year? Have the project steps and deadlines been outlined? Are the goals measurable and attainable? How will they report tourist attendance as required by the State?
- Is the project an efficient, economical use of LTAC funds? Is the event big enough to provide a reasonable return on investment? What will be the likelihood and degree of financial participation from the applicant?

Contract and Reimbursement

Applicants should be aware that Grantees will be signing a contract with the Town of Friday Harbor. By law, the contract must include a provision for the Grantee to report the amount of tourism generated from the grant investment (see "Reporting" below). If deemed necessary by the Town Administrator, this contract may include a requirement for liability insurance of at least \$1 million with the Town identified as an additional insured on the policy. Under the terms of the contract, grant funds will be disbursed as reimbursements after the Grantee provides documentation of the paid expense. Documentation is to include: 1) A numbered invoice to the Town detailing each expense, and 2) Copies of the paid, itemized receipts/invoices for these expenses. The Town Finance Department will monitor expenses for compliance. A valid Form W-9 is required prior to reimbursement. All requests for reimbursement of 2018 expenses must be submitted no later than January 4, 2019. Project expenses incurred prior to grant approval and execution of the written contract with the Town will not be reimbursed.

Reporting

As required by RCW 67.28, as amended by ESHB 1253 in 2013, **Grantees must report their event's visitor attendance information to the Town of Friday Harbor.** This reporting requirement applies to every project (event/marketing/facility) receiving LTAC funding. The attendance data is considered public record and will be reported to the State.

Grantees will be provided with a Visitor Report Form to complete and submit upon completion of each project. Grantees are responsible for submitting all 2018 Visitor Reports to the Town no later than January 18, 2019. If exact attendance figures cannot be determined, grantees must complete reports using good faith attendance estimates and explanations of how these figures were determined.

Reports must include the following information:

- The total amount spent on the project and the amount of LTAC funds received.
- The total number of attendees, the number who traveled over 50 miles, and the number from out of state.
- The number of attendees who stayed overnight with family/friends, the number who stayed overnight in paid accommodations, and the total number of paid lodging nights generated by the event.
- The method(s) used to collect attendance data and specific details of how it was collected.

Conflict of Interest

No member of the LTAC shall make or vote on recommendations, nor use their position to influence the LTAC or Town Council, if they are directly financially benefited by the funding of any application during this grant cycle (e.g., an applicant's project specifically provides customers to an LTAC member's business). If a member discloses a potential conflict of interest to the Town Council prior to the application for funding, the Council may authorize or prohibit the member's participation in the recommendation process. Conflict of interest is defined by the Revised Code of Washington.

Lodging Tax Grant Management

Lodging tax grant management is the responsibility of the Town Administration. Staff will coordinate the application process, grant selection, and project attendance reporting. The Town Finance Department will monitor contract compliance and reimburse LTAC-funded expenses to Grantees.

Application Requirements

- A separate application is required for each proposed project.
- The application must identify one designated individual to act as the contact for the duration of the project, and that person must have authority to obligate all sponsoring parties.
- If the project involves co-sponsors, a written commitment must be submitted from each co-sponsor and signed by a person with authority to obligate that sponsor.
- The specific amount of funding requested in the applicant's proposal is open. The applicant should indicate the desired amount of funding and the minimum acceptable amount, and specify the difference in the level of services to be provided under the two amounts.
- Non-profits claiming to be a tax exempt charitable, religious, or educational organization must include a copy of the IRS letter recognizing this status.

Optional Application Pre-Screening

Applicants are encouraged to contact the Town for technical advice relating to their applications prior to the submission deadline. As a courtesy, Town staff is available to review applications for completeness prior to the submission of the application to the LTAC. Applicants requesting this prescreening must submit applications to the Town at least one business week prior to the LTAC submission deadline.

Town staff will use guidelines provided by the LTAC to prescreen applications for completeness and required criteria. Applicants will be notified of the findings by email. If the application is found to be complete, it will be submitted to the LTAC. If the application is incomplete, the applicant must complete the application no later than the LTAC deadline. Applications will not be accepted after the LTAC deadline listed on page two (2) of this document.

Submittal Instructions

Proposals should be letter-sized, typed, and printed on one side. Proposals should **not** be stapled or bound. Supporting materials should be limited to those documents that are essential to the clarification of the application (such as example advertisements). Do not include tax returns, gifts, or promotional products. Only one copy of the IRS non-profit status letter is required. Proposals must be submitted on or before the deadline listed on page two (2) of this document. Submit one (1) complete proposal signed in ink plus seven (7) copies to: **Lodging Tax Advisory Committee c/o Julie Greene; 60 Second Street/PO Box 219, Friday Harbor, WA 98250.**

2018 APPLICATION

Applicant Information			
Business Status:	Non-Profit* <i>*Attach documentation</i>	For-Profit	Other:
Funding Requested For:	Event Facility	Marketing DMO	Other:
Applicant/Organization Name:			
Mailing Address:			
City:	State:	Zip:	
Contact Person (if different from applicant):			Phone Number:
Signing Authority for Contract (if different from applicant):			Phone Number:
Contact Person(s) Email:			
Project Information			
Project Title:	Amount Requesting from 2018 LTAC: \$		
Anticipated time frame for accomplishing project:	Date(s) of event/project:		
Brief Project Description:			
Tourism Promotion (Attach additional pages as needed)			
How will your project actively attract, serve, and/or facilitate tourism in the Town of Friday Harbor (e.g., promote travel to Friday Harbor, promote retail sales, provide entertainment, feed or lodge tourists, encourage longer stays and return visits, provide other specific short or long-term economic benefits, etc.)?			
How and where will you market your project to increase the number of off-island visitors to the Town of Friday Harbor?			
How will you measure the amount of visitor traffic generated by your marketing and/or event? (See Visitor Report Form for more information.)			
Have you worked with the Chamber of Commerce, Visitors Bureau, or other local businesses to promote your project? Yes No			
How will you go about coordinating your project and its event date(s) with these other organizations and their projects and promotions?			

Project Budget Summary (Complete the summary below AND ATTACH DETAILED BUDGET)

EXPENSES

	TOWN (LTAC) FUNDS	Other Funds	Total
Personnel (salaries & benefits)	\$	\$	\$
Administration (office expenses including copies, rent, janitor, utilities, phone, taxes, supplies, etc.)	\$	\$	\$
Marketing/Promotion	\$	\$	\$
Travel	\$	\$	\$
Consultants	\$	\$	\$
Other Activities <i>Explain:</i>	\$	\$	\$
TOTAL COSTS:	\$	\$	\$

What percentage of your overall project budget would the Town (LTAC) funds represent? _____ %

Can you operate this project with reduced funding? Yes No Please explain: _____

OTHER INCOME (from sponsorships, grants, donations, and admission fees)

If you anticipate receiving partial funding for this activity from another source, please list the source(s), approximate amount, and status of funding. Indicate the entry or admission fee if one will be charged.

Source	Amount	Confirmed or Projected? If projected, what is the anticipated receipt date?
	\$	
	\$	
	\$	
	\$	
	\$	
TOTAL OTHER INCOME:	\$	

Other Financial Information	
Does the project have the ability to increase its revenues? Yes No	
If so, explain how (e.g., charging admission, increasing fees, etc.):	
If applicable, explain how the proposed program, project or event will endeavor to become self-supporting in the future:	
Critique of Existing Program or Project (Attach additional pages as needed)	
If this proposal seeks to continue or expand an existing program, project, or event that received Town Lodging Tax funds in the past, indicate what year the funds were used and provide the information requested below.	
1) List figures for the following:	
a. Total funds received from Town Lodging Tax grant	
b. Total funds received from cash donations and sponsorships--excluding Town Lodging Tax grant	
c. Total revenue from other sources (e.g., fees)	
d. Total expenses for last year's program	
e. Total year-end reserve	
2) Provide details on how your Town Lodging Tax funds were utilized.	
3) Over how many days did your project/event occur?	
4) Approximately how many participants and spectators attended? How many were from off-island?	
5) Did your project generate overnight paid lodging stays?	
6) How did your project expanded tourism in the Town?	
7) Did you follow your work plan as described in last year's grant application? If not, please explain.	
Signature Required	
The applicant certifies that: 1) 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, national origin, sex, religion, or degree of handicap; 2) It will abide by all relevant local, state, and federal laws and regulations; and 3) It has read the information contained in this application and understands and will comply with all provisions contained in this application packet.	
Signature	Date

APPLICATION CHECKLIST

Include one (1) signed original and seven (7) copies of the following:

- Completed and signed application. Must be letter-sized, typed, printed on one side, and not stapled or bound.
- Detailed project budget
- Critique of existing program or project (if received LTAC funding in the past)
- Supporting materials, if applicable (e.g., example advertisements)

Include one (1) copy of the following, if applicable:

- Non-profit IRS letter regarding tax exempt status
- Commitment letter from each co-sponsor

**TOWN OF FRIDAY HARBOR
2018 LTAC VISITOR REPORT**

To be completed and submitted to the Town after each event.

YOUR ORGANIZATION: _____
 NAME of Event, Facility, or Marketing project: _____
 DATE(S) your activity occurred: From _____ through _____
 AMOUNT YOU REQUESTED from LTAC: \$ _____
 AMOUNT OF GRANT you were awarded: \$ _____
 ACTUAL TOTAL COST (estimated) of your activity: \$ _____

	<u>Projected</u>	<u>Actual</u>	<u>Methodology* AND Explanation</u>
1. Total attendance: (Number of people at your event, using your facility, or brought to the island due to your marketing efforts)	_____	_____	<i>Choose method from list below, then explain how data was collected.</i> Method _____ Explain _____
2. How many visitors came from over 50 miles away:	_____	_____	Method _____ Explain _____
3. How many visitors came from another state or country:	_____	_____	Method _____ Explain _____
4. How many overnight visitors stayed with family/friends	_____	_____	Method _____ Explain _____
5. (a) How many overnight visitors stayed at paid accommodations:	_____	_____	Method _____ Explain _____
(b) This resulted in how many total paid lodging nights: <i>Consider multiple nights, double occupancy, etc.</i>	_____	_____	Method _____ Explain _____

- * **Direct Count** – e.g., paid admissions, head count, chair or vehicle count, figures collected from a hotel/restaurant/tour guide.
- * **Indirect Count** – e.g., raffle tickets sold, redeemed coupons, brochures handed out, visual estimate.
- * **Representative Survey** – Structured random sample survey that includes a margin of error and confidence level which allows the results to be reliably projected over all attendees.
- * **Informal Survey** – Survey is not taken by a true random sample. It's taken, for example, by volunteer participants, or it's only offered at one time/place rather than throughout the event.
- * **Structured Estimate** – Figure is based on computing known information about an event or location such as the maximum legal occupancy.
- * **Other** – Please describe.

A REPORT IS DUE UPON COMPLETION OF YOUR EVENT. THANK YOU!
 Return to Town Hall ATTN: Julie Greene or email: julie@fridayharbor.org
 All 2018 reports must be submitted no later than January 18, 2019.