

AGREEMENT FOR LODGING TAX (CIVIC IMPROVEMENT) FUNDS

THIS AGREEMENT FOR LODGING TAX (CIVIC IMPROVEMENT) FUNDS (this “Agreement”) is entered into the date last below written between the City of Bainbridge Island, a Washington state municipal corporation (the “City”) and North Kitsap Tourism Coalition (formerly known as the North Kitsap Tourism Consortium) (the “Recipient”).

WHEREAS, the Recipient submitted a proposal for Lodging Tax/Tourism funds (Civic Improvement Fund) to promote tourism through the North Kitsap Tourism Coalition Market Plan and Event Implementation as described in Attachment A (the “Proposal”); and

WHEREAS, upon recommendation of the Lodging Tax Advisory Committee and approval by City Council at their December 1, 2015 meeting, the City has awarded a contract for the Proposal; and

WHEREAS, the Recipient has the expertise and experience to arrange for said services and is willing to do so in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, conditions, promises, and agreements set forth herein, it is agreed by and between the City and the Recipient as follows:

1. SERVICES BY RECIPIENT

The Recipient shall arrange for the services as specified in this Agreement and as necessary to accomplish the scope of work described in the Proposal. The Recipient shall arrange for all services, labor and related equipment to conduct and complete the work, except as specifically noted otherwise in this Agreement. The Recipient shall execute this Agreement by June 30, 2016 in order to receive funding, and all goods and services specified in this Agreement shall be provided during calendar year 2016.

Recipient shall identify all Proposal activities in promotional and other business materials as having been funded by the City of Bainbridge Island.

2. PAYMENT

A. The City shall pay the Recipient Eight Thousand Dollars (\$8,000) for all services performed and all approved expenses incurred for the sole and specific purpose of accomplishing the scope of work described in the Proposal, to be billed quarterly. Payment will be made by the City only when documentation of delivery of contracted services or products is provided to the City.

B. The Recipient shall submit quarterly invoices for services performed in a previous quarter in a format acceptable to the City. Each project and each task within a project shall be the subject of a separate invoice. The Recipient shall maintain time and expense records and provide them to the City upon request.

C. All invoices shall be paid by mailing a city check within sixty (60) days of receipt of a proper invoice.

D. If the services rendered do not meet the requirements of this Agreement, the Recipient shall correct or modify the work to comply with this Agreement. The City may withhold payment for such work until it meets the requirements of this Agreement.

3. REPORT ON EXECUTION OF SERVICES

The Recipient shall submit a report on services provided with the final invoice, no later than January 20, 2017. This report should be no longer than two pages long, excluding budget detail, and should follow the outline below:

- Summarize the activities undertaken in providing the work described in Attachment A.
- Reference the project objectives specified in Attachment A. Were those objectives achieved? Why or why not? Were there any unexpected positive outcomes or challenges?
- Reference the specific measurable results specified in Attachment A. Were they achieved? If not, what challenges prevented the achievement of the anticipated results?
- Describe involvement of any partners specified in Attachment A, as well as any unexpected cooperative relationships that developed through implementation of the project.
- Reference the project budget specified in the Attachment A. Provide an analysis of actual expenses and income in relation to the projected budget.
- Complete a Joint Legislative Audit and Review Committee (JLARC) report as directed by the City that will provide a good faith best-estimate of actual attendance generated by the Proposal in the three categories below:
 - a. Travelers staying overnight in paid accommodations away from their place of residence or business;
 - b. Travelers staying overnight in unpaid accommodations (e.g., with friends and family) and traveling more than 50 miles;
 - c. Travelers for the day only and traveling more than 50 miles.
- Describe the methodologies used to arrive at the good faith estimate of actual attendance numbers described above.

4. INSPECTION AND AUDIT

The Recipient shall maintain all books, records, documents and other evidence pertaining to the costs and expenses allowable under this Agreement in accordance with generally accepted accounting practices. All such books and records required to be maintained by this Agreement shall be subject to inspection and audit by representatives of the City and/or the Washington State Auditor at all reasonable times, and the Recipient shall afford the proper facilities for such inspection and audit. Representatives of the City and/or the Washington State Auditor may copy such books, accounts and records where necessary to conduct or document an audit. The Recipient shall preserve and make available all such books of account and records for a period of three (3) years after final payment under this Agreement. In the event that any audit or inspection identifies any discrepancy in such

financial records, the Recipient shall provide the city with appropriate clarification and/or financial adjustments within thirty (30) calendar days of notification of the discrepancy.

5. INDEPENDENT CONTRACTOR

A. The Recipient and the City understand and expressly agree that the Recipient is an independent contractor in the performance of each and every part of this Agreement. The Recipient expressly represents, warrants and agrees that his status as an independent contractor in the performance of the work and services required under this Agreement is consistent with and meets the six-part independent contractor test set forth in RCW 51.08.195. The Recipient, as an independent contractor, assumes the entire responsibility for carrying out and accomplishing the services required under this Agreement. The Recipient shall make no claim of City employment nor shall claim any related employment benefits, social security, and/or retirement benefits.

B. The Recipient shall be solely responsible for paying all taxes, deductions, and assessments, including but not limited to federal income tax, FICA, social security tax, assessments for unemployment and industrial injury, and other deductions from income which may be required by law or assessed against either party as a result of this Agreement. In the event the City is assessed a tax or assessment as a result of this Agreement, the Recipient shall pay the same before it becomes due.

C. The City may, during the term of this Agreement, engage other independent contractors to perform the same or similar work that the Recipient performs hereunder.

D. The Recipient and any subcontractors shall obtain a business license and, if applicable, pay business and occupation taxes pursuant to Title 5 of the Bainbridge Island Municipal Code.

6. DISCRIMINATION AND COMPLIANCE WITH LAWS

A. The Recipient agrees not to discriminate against any employee or applicant for employment or any other person in the performance of this Agreement because of race, creed, color, national origin, marital status, sex, sexual orientation, age, disability, or other circumstance prohibited by federal, state or local law or ordinance, except for a bona fide occupational qualification.

B. The Recipient shall comply with all federal, state and local laws and ordinances applicable to the work to be done under this Agreement.

C. Violation of this Section 6 shall be a material breach of this Agreement and grounds for cancellation, termination or suspension by the City, in whole or in part, and may result in ineligibility for further work for the City.

7. TERM AND TERMINATION OF AGREEMENT

A. This Agreement shall become effective upon execution by both parties and shall continue in full force until December 31, 2016, unless sooner terminated by either party as provided below.

B. This Agreement may be terminated by either party without cause upon thirty (30) days' written notice to the other party. In the event of termination, all finished or unfinished documents, reports, or other material or work of the Recipient pursuant to this Agreement shall be submitted to the City, and the Recipient shall be entitled to just and equitable compensation at the rate set forth in Section 2 for any satisfactory work completed prior to the date of termination.

8. OWNERSHIP OF WORK PRODUCT

All data, materials, reports, memoranda and other documents developed under this Agreement whether finished or not shall become the property of the City, shall be forwarded to the City in hard copy and in digital format that is compatible with the City's computer software programs.

9. GENERAL ADMINISTRATION AND MANAGEMENT

The City Manager of the City, or designee, shall be the City's representative, and shall oversee and approve all services to be performed, coordinate all communications, and review and approve all invoices, under this Agreement.

10. HOLD HARMLESS AND INDEMNIFICATION

A. The Recipient agrees to protect, defend, indemnify, and hold harmless the City, its elected officials, officers, employees and agents from any and all claims, demands, losses, liens, liabilities, penalties, fines, lawsuits, and other proceedings and all judgments, awards, costs and expenses (including reasonable attorneys' fees and disbursements) caused by or occurring by reason of any negligent act, error and/or omission of the Recipient, its officers, employees, and/or agents, arising out of or in connection with the performance or non-performance of the services, duties, and obligations required of the Recipient under this Agreement.

B. In the event that the Recipient and the City are both negligent, then the Recipient's liability for indemnification of the City shall be limited to the contributory negligence for any resulting suits, actions, claims, liability, damages, judgments, costs and expenses (including reasonable attorneys' fees and disbursements) that can be apportioned to the Recipient, its officers, employees and agents.

C. The foregoing indemnity is specifically and expressly intended to constitute a waiver of the immunity of the Recipient under Washington's Industrial Insurance Act, RCW Title 51, as respects the other parties only, and only to the extent necessary to provide the indemnified party with a full and complete indemnity of claims made by the employees of the Recipient. The parties acknowledge that these provisions were specifically negotiated and agreed upon by them.

D. The City's inspection or acceptance of any of the Recipient's work when completed shall not be grounds to void, nullify and/or invalidate any of these covenants of indemnification.

E. Nothing contained in this section of this Agreement shall be construed to create a liability or a right of indemnification in any third party.

F. The provisions of this section shall survive the expiration or termination of this Agreement with respect to any event occurring prior to such expiration or termination.

11. INSURANCE

The Recipient shall maintain insurance as follows:

- Commercial General Liability as described in Attachment B.
- Directors and Officers Liability as described in Attachment B.
- Automobile Liability as described in Attachment B.
- None.

12. SUBLETTING OR ASSIGNING CONTRACT

This Agreement, or any interest herein or claim hereunder, shall not be assigned or transferred in whole or in part by the Recipient to any other person or entity without the prior written consent of the City. In the event that such prior written consent to an assignment is granted, then the assignee shall assume all duties, obligations, and liabilities of the Recipient as stated herein.

13. EXTENT OF AGREEMENT/MODIFICATION

This Agreement, together with attachments or addenda, represents the entire and integrated Agreement between the parties and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended, modified or added to only by written instrument properly signed by both parties.

14. SEVERABILITY

A. If a court of competent jurisdiction holds any part, term or provision of this Agreement to be illegal or invalid, in whole or in part, the validity of the remaining provisions shall not be affected, and the parties' rights and obligations shall be construed and enforced as if the Agreement did not contain the particular provision held to be invalid.

B. If any provision of this Agreement is in direct conflict with any statutory provision of the State of Washington, that provision which may conflict shall be deemed inoperative and null and void insofar as it may conflict, and shall be deemed modified to conform to such statutory provision.

15. FAIR MEANING

The terms of this Agreement shall be given their fair meaning and shall not be construed in favor of or against either party hereto because of authorship. This Agreement shall be deemed to have been drafted by both of the parties.

16. NON-WAIVER

A waiver by either party hereto of a breach by the other party hereto of any covenant or condition of this Agreement shall not impair the right of the party not in default to avail itself of any subsequent breach thereof. Leniency, delay or failure of either party to insist upon strict performance of any

IN WITNESS WHEREOF, the parties have executed this Agreement as of _____, 2016.

NORTH KITSAP TOURISM
COALITION

CITY OF BAINBRIDGE ISLAND



By _____

By _____

Douglas Schulze, City Manager

Name _____

Title _____

Tax I.D. UBI 603-439-763

IN WITNESS WHEREOF, the parties have executed this Agreement as of February 19th, 2016.

NORTH KITSAP TOURISM
COALITION

CITY OF BAINBRIDGE ISLAND

By  _____

By  _____
Douglas Schulze, City Manager

Name Pete Orsca _____

Title President - North Kitsap Tourism Coalition

Tax I.D. UBI 603-439-763

CITY OF BAINBRIDGE ISLAND 2016 LODGING/TOURISM FUND PROPOSAL COVER SHEET

Project Name:

North Kitsap Tourism Coalition Market Plan and Event Implementation

Name of Applicant Organization:

North Kitsap Tourism Coalition

Applicant Organization IRS Chapter 501(c)(3) or 501(c)(6) status and Tax ID Number:

____501(c) 6 status obtained August 25, 2015 Tax ID #: 47-2263450____

Date of Incorporation as a Washington State Corporation and UBI Number:

September 29, 2014 UBI # 603-439-763

Primary Contact: Pete Orbea

Mailing Address: PO Box 85 Port Gamble, WA 98346

Email(s): porbea@orminc.com

Day phone: (360) 297-8074 **Cell phone:** (360) 930-1758

Please indicate the type of project described in your proposal: Project Type

Tourism marketing

Marketing and operations of special events and festivals designed to attract tourists

Supporting the operations of a tourism-related facility owned or operated by a nonprofit organization*

Supporting the operations and/or capital expenditures of a tourism-related facility owned or operated by a municipality or a public facilities district*

1. Describe the applicant organization’s mission, history and areas of expertise.

North Kitsap is unique in its varied offerings and personality; we have a rich history with connections to Native American, Norwegian, and Japanese cultures. It’s also an expansive natural playground for hikers, bikers, paddlers, and boaters, as well as offering many wineries, breweries, and unique food experiences. The North Kitsap Tourism Coalition (NKTC) began as a grassroots, ad hoc volunteer group of individuals with a passion for the North Kitsap Peninsula, including Bainbridge Island, and a unified mission to increase tourism in the North Kitsap Peninsula region. The NKTC grew into a coalition of the Bainbridge Island Chamber of Commerce (BICoC), the Greater Poulsbo Chamber of Commerce, the Greater Kingston Chamber of Commerce, Port Madison Enterprises/Suquamish Museum, Olympic Property Group/Port Gamble, and The Point Casino/Heronwood with vision a to bring the world to the North Kitsap Peninsula and mission to promote tourism through joint-marketing and advocacy in North Kitsap County.

We have 4 objectives:

1. Increase awareness, visitors and tourism receipts to the North Kitsap Peninsula through joint marketing while maintaining the identities of its partners.
2. Build sustainable, tourism-driven economic development in the North Kitsap through cooperation and partnerships.
3. Develop NKTC as a stream-lined, action-oriented, project-based organization.
4. Advocate for tourism and tourism-driven economic development in the North Kitsap with one voice.

We gained non-profit incorporation status within the State of Washington as the North Kitsap Tourism Coalition in August 2014 and obtained our Federal Non-Profit 501 (c)(6) status in August 2015. We have a Board of Directors and Officers representing the 6 communities in North Kitsap. Our Marketing Committee is composed of marketing, communication, and PR professionals (see Chart 1 below) and we have contracted with a creative specialist as Marketing Director to create and implement our marketing plan based on the Brand Graphics Package created by Roger Brooks, an international expert in the field of destination development. The brand and tagline, **North Kitsap Peninsula – Washington’s Sanctuary Shore**, focus on the communities as individual sanctuaries within the Washington’s Sanctuary Shore umbrella and connects them by highlighting the uniqueness and diversity of the North Kitsap Peninsula.

Table 1. NKTC Marketing Team

NAME	ORG/COMMUNITY	POSITION
Chris Archunde	PME	Director, Marketing
Mike Barnet	Private Contractor	NKTC Marketing Director
Kathi Foresee	Poulsbo	Chair, Viking Fest & Poulsbo July 3
Jack Harrington	Hansville	Retired Marketing Executive
Chris Placentia	PGST	Director, Economic Development
Matt Kelly	Kingston	DMO Marketer
April Leigh	Suquamish Tribe	Director, Communications
Mickey Molnaire	Bainbridge Island	Tourism and Marketing Director, Bainbridge Chamber
Shirley Sax	Kingston	Retired Marketing/Sales Executive
Ginger Vaughn	PGST	Quinn/Brein PR

As our organization has grown in sophistication and professionalism, we are well equipped to complete this project and the Director of Tourism and Marketing for the BICoC, as an Officer and member of the Marketing Committee, will assist us in linking with other Bainbridge Island tourism assets and assuring that Bainbridge is well represented.

Completion of Goals of 2014 Grant Request

1. Bainbridge Island pages of the website are complete. The following screenshots are some of the many Bainbridge Island references.



BAINBRIDGE ISLAND

Bainbridge is known for its FOOD! In addition to more than 30 restaurants, you'll be tempted with pastries, home-made fudge, gelato, frozen yogurt and a locally made ice cream which ranks Bainbridge one of 25 top "ice cream cities in America" according to Food & Wine Magazine.

Outdoor enthusiasts will enjoy hiking through 1,400 acres of parks or walking through the internationally-acclaimed public garden, the Bloedel Reserve. Other outdoor activities include kayaking and canoeing, SCUBA diving, biking, birdwatching, horseback riding, golf and tennis.

[Visit Official Website](#)



The internationally-acclaimed Bloedel Reserve public garden on Bainbridge Island is an amazing blend of forests and landscaped gardens, specially created to be fully enjoyed without interpretation or explanation. At the center of 150 acres sits a classically-proportioned French country mansion – now the visitor center.

[LEARN MORE](#)



All the wineries are open for tours and tasting from 12-5 pm on one special weekend each month (except Sept. & Oct. when they are too busy making wine). Meet the winemakers in person at the wineries.

[LEARN MORE](#)



Fort Ward Park at the south end near Lynwood Center is listed in Audubon Washington's Puget Loop Birding Trail Map as part of an extensive migratory flyway in spring and fall. Two birding blinds allow for viewing shorebirds along the lower path and forest species, both resident and migratory, can be seen in the upper park.

[LEARN MORE](#)



BAINBRIDGE ISLAND



INTENTIONAL TABLE

[LEARN MORE](#)



BAINBRIDGE ISLAND FARMER'S MARKET

[LEARN MORE](#)



HEYDAY FARM

[LEARN MORE](#)



WINERY TOUR WEEKEND

[LEARN MORE](#)

2. Tourism Video for Bainbridge – the video is scheduled to be produced and is awaiting direction from the BICoC as the Island finishes their individual branding effort so it may be incorporated.

2. If appropriate, please identify the project partner(s) and briefly describe the involvement of each.

The NKTC partners are the Bainbridge Island Chamber of Commerce, the Poulsbo Marketing Coalition/CoC, Greater Kingston Economic Development Committee/CoC, Port Madison Enterprises/Suquamish Museum, Olympic Property Group/Port Gamble, and The Port Gamble S'Klallam Tribe. Each community is represented on the Board of Directors and Marketing Committee. Any awarded funds would be managed by the decision of the Board of Directors and the Treasurer. The Bainbridge Island CoC Marketing and Tourism Director is our Treasurer and Member of the Board and Marketing Committee. We are also looking forward to increasing our partnership with Bainbridge Island Downtown Association.

3. If appropriate, please list each project and the amount of funding awarded and utilized from the Lodging Tax Fund within the last 5 years.

2014 Award - \$2500

\$1500 On Line Content Management Services complete as of Dec 2015

\$1000 Bainbridge Island Tourism Video to be complete as of Dec 2015

4. If any projects previously funded through the Lodging Tax Fund were not completed and or if reports were not submitted to the City as requested, please explain: NA

Project Information

1. Describe the proposed project.

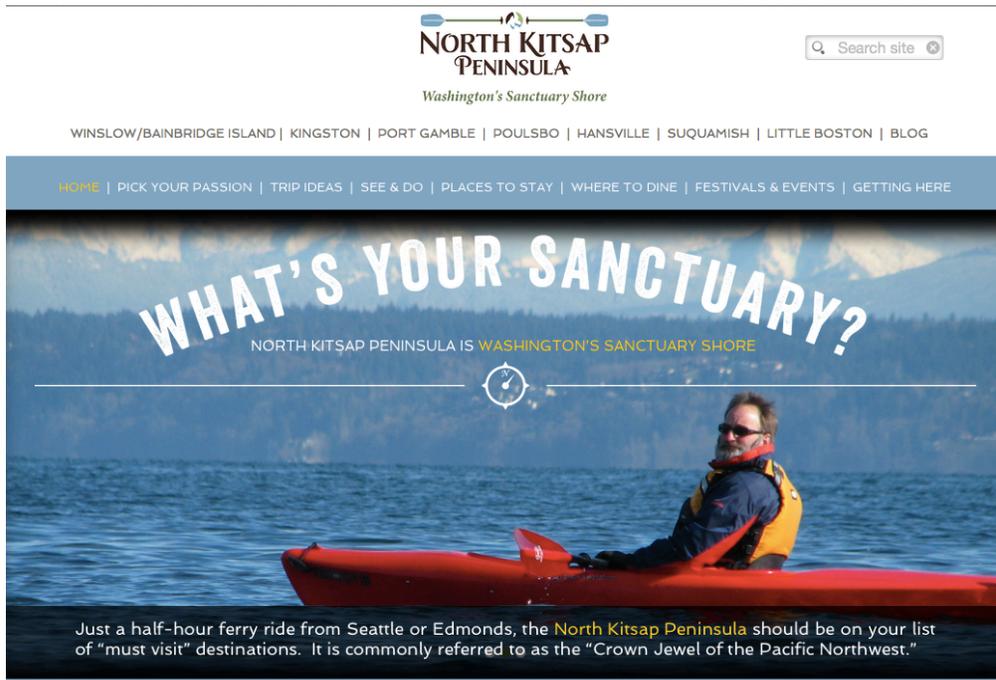
Through our Strategic Planning effort, we identified several issues relating to the North Kitsap Peninsula including a lack of awareness of the multitude and diversity of cultural and natural experiences, lack of integration of effort by the communities and venues, and the lack of information about how to experience it. We also recognized the tremendous opportunity in pooling our energy and funds to unify the marketing effort to increase awareness and visits to the North Kitsap Peninsula and to facilitate those visits by organizing the North Kitsap experience.

In order to unify the marketing effort, we have developed a brand for the North Kitsap Peninsula, "Washington's Sanctuary Shore" and a website on which we can focus the visitors and connect them with the many venues and communities that we have to offer. We have chosen to brand the North Kitsap Peninsula because we believe that there is more brand strength and more to offer by incorporating the entire North Kitsap experience as opposed to any single venue. Every year another 2000 US communities pursue tourism as a primary strategy. We must continue to narrow our focus and identify what is unique about North Kitsap to continue to differentiate ourselves through our brand. People are exposed to 5,000 marketing messages per day and according to Roger Brooks, and 97% are ineffective. We are endeavoring to better focus our brand, understand our customers and create products that evoke the emotion, sights, sounds, smells, and feelings of experiencing North Kitsap while preserving the identity of each community.

In 2013, we funded a one-day seminar to work with Roger Brooks to make the North Kitsap Peninsula a destination and engaged him to create a Brand Graphic Package featuring "Washington's Sanctuary Shore". In 2014 Mr. Brooks met with members of each community, including approximately 20 people from Bainbridge Island, to and presented the Brand Graphics Package to NKTC and invited guests, including representatives from Bainbridge Island government, business and Chamber of Commerce. In 2015 we completed the website, Facebook page, began the process of conducting a customer survey and are sponsoring our own off-season event. We are now continuing to implement the "Washington's Sanctuary Shore" umbrella brand.

Project Objective 1: Increase awareness of the North Kitsap Peninsula, including Bainbridge Island, as a destination and identify and employ methodologies to increase the number of visitors and duration of stays.

Research shows that the Internet is the number one source of travel planning and purchasing and continues to grow. Therefore, our website must be engaging enough to close the sale. The website, Washington's Sanctuary Shore, captures the imagination of the reader in bringing to life the North Kitsap experience through a series of diverse, yet engaging Sanctuaries. The website is also scalable to smart phones and tablets promoting use of the website after arrival in North Kitsap.



Bainbridge Island Lodging Tax support will fund on-going updating and maintenance of Bainbridge Island information on the WASanctuaryShore website and Search Engine Optimization services to increase our rank through 2016. We will be measuring and analyzing website traffic through Google Analytics and other digital tools. In addition and in conjunction with the Bainbridge Chamber of Commerce, we will be researching metrics to determine its effectiveness in increasing tourist visits and overnight stays on Bainbridge Island.

Project Objective 2: Obtain 1000 qualified email newsletter subscribers and target market directly to them.

Our marketing will be targeted resulting in qualified e-newsletter subscribers. This methodology sets us apart from most of the destination marketing organizations in the area. Facebook, You Tube and the website will help us identify information about our potential visitors so we can define specific “passions”, “sanctuaries” and desired experiences that we will develop into specific product offerings to bring them to North Kitsap.

1. We will continue to develop our Facebook page as a platform for interacting with our visitors and potential visitors through blog posts, videos and Facebook Ads resulting in qualified subscribers to the e-newsletter. *Bainbridge Island Lodging Tax dollars will fund in part the management of the Facebook page and Ads that drive interested visitors to an email list that we will use to target market Bainbridge Island and the rest of North Kitsap.*
2. We have created our own You Tube channel and will have created 9 videos by the end of 2015 (6 to date) for use on the website, our Facebook page and Blog. YouTube is now rivaling Google as the number 1 search engine and processes 4 billion searches a month, according to Comscore. Also,
 - Online video reaches 85% of the US Internet population. It is the most consumed content format.

- The number of videos watched online has increased by 800% in the last 6 years
- YouTube has 153 million unique viewers, that's almost 100 million more than Facebook.

“Video content should be a pillar of your digital marketing strategy because it is only second to face-to-face interaction as a tool to humanize your brand. When people are searching YouTube, they are actively trying to learn more about products and services.” Alexander Gould agould@advocatedigital.com

Bainbridge Lodging Tax support will help fund the creation of 12 videos focusing on the best of the best activities in North Kitsap. The subjects will be determined by the Marketing Team, of which Bainbridge Island is represented by the Marketing and Tourism Director of the BICoC. They will feature Bainbridge Island specifically as appropriate for the activity. The videos will be featured on the website, social media, newsletter and the blog. We will also make the videos on our You Tube channel available to the BICoC, the BIDA and other tourism related groups for use in promoting Bainbridge Island. You Tube and Facebook have excellent analytical tools that will help us understand what is working and focus our dollars in that direction.

3. The website, You Tube channel and Facebook will have a Call to Action to interested, excited potential visitors to sign up for the e-newsletter. We will nurture these contacts with enticing, educating information about North Kitsap. We will also survey them to identify their wants and needs so that we can then define specific “passions”, “sanctuaries” and desired experiences that we will develop into specific product offerings from North Kitsap. *Bainbridge Island Lodging Tax support will help fund the creation and distribution of the e-newsletter in 2015 and the necessary product development to provide targeted products.* We will be tracking the increase in contacts, open rate and clicks to website in addition to the primary metric of 1000 qualified subscribers.

Project Objective 3: Sponsor and implement the Spirits to Spirits Festival

NKTC is creating and sponsoring a new event in October 2015 entitled “Spirits and Spirits”. Spirits & Spirits combines the spirit of the Halloween season with some of the area’s best brews, wines, and spirits in a week-long event to highlight the very best North Kitsap has to offer. There are 18 commercial establishments participating in the event from Bainbridge Island. We chose Spirits & Spirits as our first major North Kitsap-wide event to increase customer traffic to retail businesses and lodging establishments during the off-season. We anticipate 75 overnight stays this year in conjunction with the Port Gamble Paranormal Conference of which 50% are from greater than 50 miles away. We intend to grow the event yearly and draw visitors from greater distance and increasing numbers each year. *Bainbridge Island Lodging Tax support will help fund the marketing for this event in 2016.* Please visit the website at SpiritsandSpiritsFest.com.



Provide a brief narrative to address the stated selection criteria

A. Expected impact on increased tourism in 2016.

Per Roger Brooks, visitors require 4 hours of activities for every hour of travel time. Therefore, if there are only enough activities to fill one day, visitors will only travel for 2 hours. This is often the case with the small towns in North Kitsap. By marketing “Sanctuaries” and “Pick Your Passion”, we can target specific markets and have more to offer. If we have more to offer by marketing the entire North Kitsap Peninsula, visitors will see more value in making the trip and will travel from farther away. Bainbridge Island lodging establishments can now become a base for visitors experiencing not only the many assets of Bainbridge, but also for those visiting the entire North Peninsula.

Roger Brooks also estimates that targeted itineraries will also increase visitors by 2-3 times. Itineraries focusing on areas of interest including wineries, breweries, food lovers, quilters, outdoor activities, cultural activities, girl's week-end, boutique shopping and many others are under construction and will route visitors across the North Kitsap. Because they are specific, niche markets can be targeted making the marketing effort more effective and measurable.

Since we have just launched our website and associated activities, we will be collecting information on our audience to learn more about them to better target them and measure our impact.

B. Expected impact on over night stays on the island.

Overnight visitors spend 4 times as much as day visitors and are therefore a target worth pursuing. Per the discussion above, having more activities not only increases the distance that people are willing travel, but also increases overnight stays. Itineraries and activities extending beyond a day will also target specific markets and increase overnight stays. And again as above, Bainbridge Island lodging establishments can now become a base for visitors experiencing not only the many assets of Bainbridge, but also for those visiting the entire Peninsula. Our off-season Spirits and Spirits event will also increase overnight stays as it grows in popularity.

Since we have just launched our website and associated activities, we will be collecting information on our audience to learn more about them to better target them and measure our impact. We will work with the Chamber to understand their demographic data and deliver appropriate messages and products, measure the response and respond accordingly.

C. Projected economic impact on Bainbridge Island businesses, etc. Washington's Sanctuary Shore website and associated activities focus on the Best of the Best in each community, including restaurants, entertainment and retail. Although visitors come for the primary activity or anchor tenant, 60% of their spending will be on activities other than the primary reason that they came, according to Roger Brooks. Therefore, all businesses will benefit from the marketing of the Best of the Best. The Spirits and Spirits event will have a direct effect on the 18 Bainbridge Island establishments participating.

D. The projected potential to draw visitors in the off season.

As described above, NKTC is creating and sponsoring a new event in October 2015 entitled “Spirits and Spirits”. There are 18 commercial establishments on Bainbridge Island are participating in the event. We chose Spirits & Spirits as their first major North Kitsap-wide event to increase customer traffic to retail businesses and lodging establishments during the off-season. We anticipate 75 overnight stays this year in conjunction with the Port Gamble Paranormal Conference of which 50% will be from greater than 50 miles away. We intend to grow the event yearly and draw visitors from greater distances and increasing numbers each year. Our outreach activities also focus on all events year round, therefore increasing the visibility of all off-season major events.

E. The organizations demonstrated history of success.

Beginning as a grassroots, ad hoc volunteer group of individuals, NKTC has strengthened, grown and forged an effective coalition resulting in incorporation and (501 c)(6) status. We recognized the need to market the region as a whole in order to increase over-night stays and raised funding to contract with a premier destination developer to assist us in creating a unique umbrella brand for the region while maintaining the individual brand of each community. In 4Q 2014 and 2015 to date, we developed our on-line products, produced 6 videos (3 additional by year end) and look forward to further defining our customer and serving them in 2016. We raised \$22,500 from a diversity of funding sources and logged 1144 volunteer hours. We are confident in our ability to implement the “Washington’s Sanctuary Shore” Marketing Plan.

A. Describe any partnerships

The very nature of our project and organization is partnership and collaboration. We also recognize the need to operate effectively and streamline online content management. Our website will focus on anchor tenants and events and will link to community websites for detail, therefore reducing redundancy. We also look forward to further developing partnerships on Bainbridge Island, including the BI Downtown Association (BIDA). We also have strong partnerships with the Poulsbo Marketing Coalition, Greater Kingston Economic Development Committee, Greater Kingston Chamber of Commerce and Greater Poulsbo Chamber of Commerce.

B. Describe the degree to which the project goals are measurable

As previously discussed, we will be measuring the effectiveness of the online activities as follows:

Primary Goal – 1000 qualified newsletter subscribers

Website – Google Analytics and other detailed digital tools

Email Newsletter – increase in contacts, open rate, clicks to website

Videos – Detailed digital analytics

Increased visitors and duration of stay – research possible metrics and methodology

Increased in Surveys

C. Describe the degree to which the project will leverage award funds

Funds awarded by Bainbridge Island will be highly leveraged by contributions from each community. Based on a \$46,000 budget, Bainbridge funds would be leveraged by more than a factor of 5. In addition, the human resource contribution from the Bainbridge Chamber of Commerce (50 hours in Sept 2014-Sept 2015) would be leveraged by a factor of 23 based on our volunteer hours in 2014-2015 (1144 hours Sept 2014-Sept 2015).

Supporting Documentation

1. Provide a project timeline that identifies major milestones.

Task	Target Date
Maintain BI Website Entries	Jan – Dec 2016
Implement SEO Strategy	Jan - Dec 2016
Implement Social Media Campaign	Jan – Dec 2016
Create and Distribute Email Newsletter	Monthly Jan - Dec 2016
Spirits and Spirits Event	October 2016

Supporting Documentation 2 and 5

2015 Budget

Contributions	Annual	As of 8/31/15
Carry-over from 2014	\$4,478	\$4,478
Kitsap County	\$5,000	\$5,000
BI LTAC	\$2,500	\$1,500
Kingston	\$500	\$500
OPG	\$3,000	\$3,000
PGST	\$4,000	\$4,000
PME	\$4,000	\$4,000
Poulsbo	\$2,000	\$-
Total Contributions	\$25,478	\$22,478

Expenses

Creative design, implementation, website maintenance, social media, newsletter, marketing plan	\$11,435	\$8,435
Board & pro-rated 3 mo Liability Insurance	\$1,533	\$1,533
IRS 501(c)(6) application	\$850	\$850
Videos - Communities 1000x5	\$5,435	\$3,261
Videos - Sanctuaries 1000x2	\$2,174	\$1,087
State non-profit corp setup	\$1,000	\$1,000
Travel Writers Conference	\$300	\$300
Attorney fees - corporate	\$1,190	\$1,190
Spirits & Spirits Event	\$500	\$500
Total Expenses	\$24,417	\$18,156
Carry-over to 2016	\$1,061	

2016 Budget

Contributions	Requested	Committed
Carry-over from 2015	\$1061	\$1061
Kitsap County LTAC	\$7,000	
BI LTAC	\$8,000	
OPG	\$4,000	\$4,000
PGST	\$4,000	\$4,000
PME	\$4,000	\$4,000
Poulsbo LTAC	\$10,000	
Kingston	\$500	\$500
App X PGST	\$4,000	
App X PME	\$4,000	
Total Contributions	\$46,561	\$13,561

Expenses

Creative design, implementation, website maintenance, social media, newsletter, marketing plan	\$16,000
Digital Advertising	\$10,250
Newsletter email program	\$300
Search Engine Optimization	\$4,200
Traditional Advertising	\$3,000
Website Hosting/Domain Renewals	\$600
Spirits and Spirits Event	\$4,000
Printing	\$2,500
Board & Liability Insurance	\$3,783
Annual State Corp.Renewal	\$10
Travel Writers Conference	\$600
Attorney fees - corporate	\$500
Total Expenses	\$45,743
Carry-over to 2017	\$818

Supporting Documentation 3

Scalability. If we do not receive full funding of our requests, we would reduce the amount of traditional marketing, the number of videos produced, and the quantity of Facebook ads.

Supporting Documentation 4

(NKTC did not form as a corporation until 8/25/2014)

2014 Budget

Contributions	Annual
Carry-over from 2013	\$4,500
Tourism Grants - PME & PGST	\$9,000
Kingston Stakeholders	\$1,000
Bainbridge Island Chamber	\$500
OPG	\$5,231
Suquamish Museum	\$1,000
Kitsap County	\$1,000
PGST	\$1,000
PME	\$5,000
Total Contributions	\$28,231
Expenses	
Website design, maintenance & hosting	\$6,042
Branding Package - Roger Brooks International Marketing & Website Maintenance	\$14,000
Insurance (1 Q)	\$3,261
	\$450
Total Expenses	\$23,753
Carry-over to 2015	\$4,478



September 28, 2015

To: Lodging Tax Advisory Committee
Re: North Kitsap Tourism Coalition

Committee Members,

The Bainbridge Island Downtown Association would like to offer support for the North Kitsap Tourism Coalition submission for LTAC funding during the 2016 budget cycle.

We appreciate the fact that NKTC represents so many of us in North Kitsap County. This partnership is very important to tourism marketing and we appreciate the support.

We encourage full funding of the NKTC funding request.

Sincerely,

Jerri Lane
Executive Director
Bainbridge Island Downtown Association



September 15, 2015

BOARD OF
DIRECTORS

Executive Board:

Arnie Sturham
Chair

Kelly Muldrow
Chair Elect

Claire Chavanu
Secretary

Linda Lincoln
Treasurer

Jeff Waite
Past Chair

Directors:

Matt Albee
Larry Barrett
Rhonda Brown
Claire Chavanu
Cheryle Elmquist
Russell Everett
Damien Lawson
Robert Moore
Edward Moydell
Bryan McConaughy
Rick Pedersen

Rex Oliver, IOM
President/CEO

Chairman's Circle
Platinum Members:
Treehouse Cafe
Harrison Medical Center
Kitsap Bank
Bainbridge Island Brewing

To: Lodging Tax Advisory Committee
Re: North Kitsap Tourism Coalition

Committee Members,

The Chamber would like to offer support for The North Kitsap Tourism Coalition submission for LTAC funding during the 2016 budget cycle.

Mickey Molnaire, Chamber staff, is a board member of the NKTC and has been representing the Chamber as that organization works to provide an umbrella marketing program for all of North Kitsap County. Partnering with the NK communities has given the NKTC team strength in its decision making and in its marketing.

The LTAC funds will be put to good use in creating information to be included in the North Kitsap Peninsula web site. Articles, day trip itineraries, where to dine and feature videos are just some of the forms that information will be take.

Again we offer support for the application by the North Kitsap Tourism Coalition.

Respectfully,

Rex Oliver, IOM
President/CEO
Bainbridge Island Chamber of Commerce

ATTACHMENT B

Insurance against claims for injuries to persons or damage to property arising out of or in connection with the performance of this Agreement by the Recipient, its officers, employees and agents:

A. Commercial General Liability Insurance written on an occurrence basis with limits no less than \$1,000,000.00 combined single limit per occurrence and \$2,000,000.00 aggregate for personal injury, bodily injury and property damage. Coverage shall include, but not be limited to blanket contractual; products/completed operations; broad form property damage; explosion, collapse and underground (XCU) if applicable; and employer's liability.

B. Directors and Officers Liability Insurance with limits no less than \$1,000,000.00 limit per occurrence.

C. Automobile Liability Insurance with limits no less than \$1,000,000.00 combined single limit per accident for bodily injury and property damage.

Before commencing work and services, the Recipient shall provide to the person identified in Section 17 of the Agreement a Certificate of Insurance evidencing the required insurance. City reserves the right to request and receive a certified copy of all required insurance policies.

Any payment of deductible or self-insured retention shall be the sole responsibility of the Recipient. City shall be named as an additional insured on the Commercial General Liability Insurance Policy, with regard to work and services performed by or on behalf of the Recipient, and a copy of the endorsement naming City as an additional insured shall be attached to the Certificate of Insurance.

The insurance policies (1) shall state that coverage shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability; (2) shall be primary insurance with regard to City; and (3) shall state that City will be given at least 30 days' prior written notice of any cancellation, suspension or material change in coverage.

AlaskaUSA[®] **Insurance Brokers**

December 22, 2015

Julie McAfee
North Kitsap Tourism Coalition
PO Box 85
Port Gamble, WA 98364

RE: Policy Type: Directors & Officers Liability
Policy Number: PHSD1093205

Dear Julie:

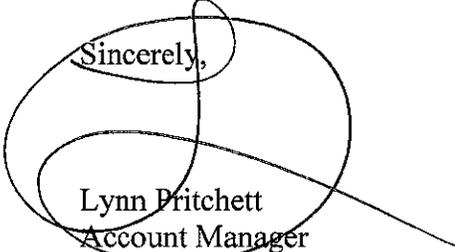
We are pleased to enclose your commercial insurance policy which has been renewed effective 12/19/2015 to 12/19/2016.

Also enclosed is a coverage summary, which briefly outlines the coverages and limits provided in each policy. The summary is designed as a quick reference and in no way amends, alters or extends the coverages afforded in your policy.

Please read your policy carefully, familiarizing yourself with the terms, conditions, limitations and exclusions.

If you have any questions, please let me know. Thank you, as always, for your valued business.

Sincerely,



Lynn Pritchett
Account Manager
(253)534-7711

North Kitsap Tourism Coalition

Basic Policy Information

Policy #: PHSD1093205
Term: 12/19/2015 - 12/19/2016
Tran Date: 12/19/2015
Tran Type: Renew policy
Tran Description: Renew policy
Policy Type: Directors and Officers
Business Unit: **Division:** AK USA Insurance Brokers **Branch:** AK USA Insurance Brokers
Department: Washington Select
Primary Service Group: **Account Executive:** Lynn Pritchett, l.pritchett@alaskausainsurance.com
Account Representative: Lynn Pritchett, l.pritchett@alaskausainsurance.com
Parent Company: Philadelphia Insurance Companies
Writing Company: Philadelphia Insurance Companies
Bill Method/Pay Plan: Direct bill
Current Policy Premium: \$938.00
Full Term Premium: \$0.00

First Named Insured

Name:
Firm Name: North Kitsap Tourism Coalition
DBA:
Dec Name: North Kitsap Tourism Coalition
Address: PO Box 85
 Port Gamble WA 98364
Business: (360)297-8074
Residence:
Cell:
Fax:
Email: jmcafee@orminc.com

Contacts

Name	Responsibility	Address	Res Phone	Bus Phone	Email
Julie McAfee	Accounting Records			(360)297-8074	jmcafee@orminc.com
Pete Orbea	Inspection			(360)297-8074	porbea@orminc.com

Lines of Business

Directors and Officers

Total Premium: \$0.00

Liability Coverage Type: Commercial General Liability

Coverage Basis: Claims Made

Coverages

Coverage	Limit	Ded Type/AmtDed	BasisDed	Applies To	Miscellaneous Information	Premium
Directors & Officers Liability	1,000,000	Flat/1000		Per Claim		