

**CITY OF BAINBRIDGE ISLAND
2017 LODGING TAX / TOURISM FUND PROPOSAL
COVER SHEET**

Project Name: Destination Bainbridge 2017

Name of Applicant Organization: Bainbridge Island Lodging Association (BILA)

Applicant Organization IRS Chapter Status and Tax ID Number: 501(c)3; EIN: 71-1051175

Date of Incorporation as a WA Corporation and UBI Number: January 16, 2002, 602-175-381

Primary Contact: Stella Ley

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Number of pages in proposal: 10 (plus Exhibits)

**Under the definition of “tourism promotion”, which does your proposal include?
Please mark all that apply and how much is requested in each category:**

	Funding Category	Dollar Amount
	Tourism marketing	\$28,600
	Marketing and operations of special events and festivals designed to attract tourists.	\$32,700
	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.	
	Total Request:	\$61,300

I. Applicant Information

1. Describe the applicant organization's mission, history and areas of expertise. Describe the applicant's experience in tourism promotion on Bainbridge Island and its demonstrated ability to complete the proposed project.

Bainbridge Island Lodging Association (BILA) was established in 2001 and is incorporated as a 501(c)3 not-for-profit organization. The Association was formed to promote lodging owner networking, to share business practices, encourage cross-referral of guests, to pursue common marketing and to promote Bainbridge Island tourism generally. Since 2012, BILA has taken the lead in fully promoting Island tourism via the Internet. We concentrate our promotional efforts on Internet marketing to increase on-line visibility of overnight accommodations and also publicize local tourism attractions, restaurants, and activities.

BILA's efforts do not duplicate those of any other organization on Bainbridge Island, including the Chamber of Commerce and the Downtown Association. Other tourism organizations generally concentrate on welcoming and assisting day visitors, through events, visitor centers, and brochures. Additionally they coordinate with the Seattle Visitor Center and Seattle hotel concierges. In contrast, BILA concentrates on overnight travelers and on Internet marketing.

In 2015, the Lodging Association had a banner year with 64,000 web hits and an average of 1,500 page views, monthly, for *each* member. Throughout 2015, BILA emphasized Internet promotion (see Exhibit 1). It also managed a last-minute availability calendar (Exhibit 2), and created print calendars to present to overnight guests on arrival at their accommodations (Exhibit 3). Finally, BILA created numerous community partnerships, with Internet links, discounts and promotions.

BILA received no LTAC funding in 2016. This lack of funding forced BILA to eliminate its Internet marketing efforts, causing the number of paid association members to plunge 20%. Without constant Internet activities (new content, blogging, SEO, and Google advertising), BILA's year-to-date website traffic decreased by 47%! This decrease - of 22,000 visitors - is one indication of the importance of BILA's website — and of the need to frequently update content, engage in blogging about Island events and activities, and use social media to drive visitors to a lodging site.

In the past five years, BILA has primarily served well-established lodging facilities. During that time period though, numerous vacation rentals appeared on the Island, using the booking engines of AirBnb, VRBO, and other online sites. As shown in Exhibit 4, since 2011, virtually all growth in accommodations on the Island has been in vacation rentals, i.e., businesses that offer rooms, accessory dwellings, or entire houses for short term rental. The count of rooms available in paid accommodations increased by 37%. But the count of Island businesses offering accommodations increased 138%. The implications of these changes have driven BILA's activities this past year.

Despite a lack of funding in 2016, BILA's members logged over 2,000 volunteer hours. To increase our effectiveness in generating tourism, we worked to boost our membership potential, and to research and design services that reflect new trends in the lodging industry and the needs of new vacation rental businesses. Today the Association is on the verge of a transformation that will better serve not only Island lodging establishments but also local businesses, organizations, and the Island's tourism economy in general. We are re-booting the Lodging Association.

During the last six months, BILA connected with more than one hundred new Island vacation rental businesses that have listed on VRBO, AirBnb, or other on-line travel services. We worked with COBI to plan and conduct three workshops for 45 new lodging owners. We conducted a pivotal focus group with both new and established lodging operators.

We surveyed both trends and emerging technologies for trip planning, on-line searches for lodging, cooperative Internet promotion, destination marketing, networking and association management. We sought and obtained B2B (business to business) partnerships with local tourism attractions and organizations to promote overnight accommodations in tandem with events, tours, and classes planned mainly for the shoulder and off seasons. Finally, we have just completed an on-line survey of Island lodging owners to secure input as we finalized this proposal.

We are proud to present this application as **a virtually new approach to promoting overnight stays** on our Island including: 1) a new trip-planning website available for free to all lodging establishments on Bainbridge Island, with an island-wide availability calendar, itineraries for tourists, and links to events and activities on the island; 2) the revival of important marketing tools that were left without support in 2016; and, 3) a B2B partnership of Bainbridge Island lodging establishments working collaboratively with local restaurants, wineries, tours and classes to promote tourism during the shoulder and off seasons through special lodging/event packages.

2. Please identify the project partners and describe the involvement of each.

BILA's 2017 application is a collaborative proposal with a large number of partners — and the intention to focus on the concept of collaborative marketing. The partnerships we implement in 2017 will test the potential for a broad coalition of tourism interests working together to bring more overnight visitors to Bainbridge Island.

First, BILA is pursuing a new partnership that involves all licensed accommodations on Bainbridge Island. Every lodging owner/manager will be invited to join our website with a free listing of their accommodation(s), with an automated calendar and highlights of their location, type of lodging and amenities. We believe there is a potential for 125 to 150 lodging partners. Participants in our focus group and survey overwhelmingly requested that BILA pursue this new concept and we have located two vendors capable of providing the needed software.

Second, our proposal is presented in partnership with local tourism experts. Jeff Logan, Inc. will provide website design services for BILA. Kelly Shannon Gurza will provide contract marketing activities. Local experts will provide assistance and oversight on advertising and on social media.

Third, our proposal is offered in partnership with local businesses and tourist attractions — which are, or will be, featured on our website. These partners will be included in new visitor itineraries and blogs. Among those which BILA wants to include on our website and in our itineraries are farms, parks, museums, the Farmers Market, Wineries, the Aquatic Center and water activities.

Fourth, this proposal presents new partners in a B2B coalition to bring visitors to the Island, primarily in the shoulder and off-seasons, to participate in tours, events, and classes. Overnight travel packages are already being developed with BARN, the Island Wine Alliance, Winslow Art Center, and Island restaurants. BARN (Bainbridge Arts Resource Network) is a key partner. As it celebrates the first year in its new facility, BARN is planning a series of weekend classes in 2017. Similarly, the Island Wine Alliance is planning four wine weekends for 2017. Another partner, Winslow Art Center, has committed to sponsor an extended series of art weekends with nationally and internationally known artists. Advertising for these packages will be undertaken through Internet ads, social media campaigns, and a new Island Getaway Newsletter.

Finally, Visit Kitsap Peninsula (VKP), a regional tourism organization, has committed to partnering with BILA and will provide professional marketing, promotions, advertising, and public relations programs. BILA will subcontract with VKP for \$5,000 in marketing services and collateral. VKP will provide a \$5,000 cash match and will also contribute \$10,000 of in-kind services. These will include listing Island lodging partners on the regional VisitKitsap.com website, along with radio broadcast, print and digital advertising resources. The VKP matching dollars and in-kind services will be covered by funds from other donors to our regional tourism organization and will include Kitsap County Lodging Tax funds earmarked for cooperative marketing campaigns.

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3. If appropriate, please list each project and amount of funding awarded and utilized from the Lodging Tax (Civic Improvement) Fund within the last five years (2011-2016).

2016	\$0	BILA received no Lodging Tax funding for 2016.
2015	\$27,743	Marketing: Website enhancement; Social media marketing and targeted advertising; Content development; Community partnerships;
2014	\$25,200	Marketing: Website enhancement; Social media marketing and targeted advertising; Content development; Member events; Promotional consulting;
2013	\$10,000	Marketing: Website overhaul; Social media; Online marketing; targeted advertising; Brochure production / distribution; Graphics and copywriting;
2012	\$19,150	Marketing: Website development, management & consulting; Online marketing; Off-season marketing; Copywriting; Graphics;
2011	\$8,900	Marketing: Website re-positioning; Social media marketing; Local print marketing; Local digital marketing (ferries); Targeted off-Island marketing;

4. If any projects previously funded through the Lodging Tax (Civic Improvement) Fund were not completed and/or if reports were not submitted to the City as requested, please explain: Not Applicable

II. Project Description

1. Describe the proposed project. [a] Identify the Project's main objectives and how each will be achieved; [b] Be as specific as possible about the proposed services, measurable impacts, distribution method and costs. [c] If appropriate, provide details about the facility operating costs to be funded.

BILA's 2017 LTAC application is a dramatic departure from what we submitted for 2016. To grasp the evolution in BILA's proposed services, one must understand that seismic shifts are underway in the lodging industry. Ten years ago lodging owners could rely on brochures, rack cards and the "yellow pages" to attract customers. The Internet and arrival of companies like VRBO and Homeaway created new options for lodging, but also changed tourism markets. The early listing sites provided a needed bridge to the digital consumer and they benefited both lodging and customers. However, an extraordinary proliferation of on-line travel sites, the onset of steep booking fees for both owners and tourists, and stories of dissatisfaction on both sides have now created a dilemma for travelers and for those who offer accommodations.

Travelers today rely on the Internet for inspiration and for committing to both a destination and accommodations. The research is startling. Studies conclude that *65% of bookings are now made through the Internet; even more are influenced by information gleaned from travel sites.* But, new travelers to Bainbridge Island must visit numerous sites and review dozens of listings to find overnight accommodations that meet their preferences. High fees, and OTA control of reservations are causing serious shifts for our industry. And now, the arrival of the big players in travel distribution (AirBnb, TripAdvisor, and Facebook) is changing where and how travelers shop — forcing lodging to adjust our promotions to current consumer behavior.

An important new trend, to assist visitors and guide Internet users, is toward the resurgence of local trip-planning websites. Large and small cities, lodging associations, and tourism groups have jumped onboard — trying to cut through the confusion and duplication of OTAs and to help travelers looking for accommodations *and* activities at their destination. This is a trend we want to emulate: **One stop shopping for overnight tourists** coming to Bainbridge Island.

OBJECTIVE A. Enhance the current lodging website, transitioning to a *comprehensive trip-planning website*. The enhanced lodging site will have a new identity, increased visibility, and a complete listing of ALL licensed overnight accommodations on Bainbridge Island. It will offer advanced search technology, automated availability calendars, a new mapping tool, and the key search functions requested by customers.

Here are the specific elements of the trip planning website part of our proposal:

1. Enhance the existing lodging website adding a complete directory of all licensed overnight lodging — creating ***the only place on the Internet or anywhere else to see a full list of all Bainbridge Island accommodations***.

Currently there is no single website or brochure that provides a full list of the many hotels, inns, B&Bs, vacation rentals, guest houses and private rooms that are available for short term stays. Travelers may look at AirBnb, VRBO, TurnKey, Expedia or another dozen on-line travel agencies (OTAs) — or visit local tourism sites — but just see more incomplete lists.

Our proposal is to offer complete listings website at no charge to all Island lodging, with the only prerequisite being that the facility is licensed by the City of Bainbridge Island. Our proposal does not include or promote a single booking site. Instead, it will provide direct links to the booking services that individual lodging owners choose. Our primary goal is to present a clear and comprehensive lodging guide for travelers.

2. Establish an automated up-to-date availability calendar for all lodging on the Island. The calendar must allow for automatic synchronization with other booking calendars used by Island lodging owners and manual updates by owners who might maintain their own paper reservation system. We want to assure that potential guests can easily identify lodging that is available during the period of time that they want to travel.
3. Develop search and sorting capabilities so that guests can identify lodging that meets their specific needs and preferences. For example, guests should be able to search by general categories (waterfront, in-town, forest, farm or rural accommodations), type of housing (hotel, inn, entire house, apartment, room) by amenities (fireplace, beach, swimming pool, hot tub) and accessibility (wheelchair accessible, pet-friendly, elevator access, free parking).
4. Transition our current website to a new identity (potentially “**Destination Bainbridge**”) and a trip planning site that offers a wide range of information, services, and incentives for overnight visitors to visit the Island. BILA has already purchased eight alternative website addresses and we are working with a highly accomplished consultant for lodging and tourism websites. We will make design decisions after consulting with local tourism organizations and our many partners in this proposal.

We plan to heavily promote the new website with aggressive Internet advertising to bring tourists to the site and expand its presence on search engines. Kitsap Visitors Bureau has agreed to list all Island accommodations on their site as part of their partnership in this proposal. We hope that other tourism organizations will also be interested. If local attractions and tourism organizations use the directory, it will increase the visibility and promotion of all overnight lodging, resulting in increased tourism dollars being spent on the Island.

OBJECTIVE B: Revive successful promotional efforts suspended in 2016 — including blogging, fresh content for the website, and weekly calendars for overnight tourists.

Before LTAC funding to BILA was discontinued in 2016, many visitors were drawn to our website by articles about local events and attractions (such as the Mochi Tsuki Festival and Bloedel

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Reserve), by our weekly calendar, and by blogs about local business (i.e., Churchmouse Yarns, Hitchcock, Marche). It is clear that web efforts to promote local activities also promote overnight lodging — *when they are on the same website*. We want to reinstate these activities as website traffic strategies but also to support out partners in our Island community.

With funding, we will expand website content by creating a series of itineraries for overnight stays on Bainbridge Island. Each itinerary will describe two days of activities for targeted niche audiences — including families, foodies, wine lovers and outdoor enthusiasts — with ideas about where to eat and shop, as well as the activities they might participate in.

Finally, we want to continue producing our colorful “This Week on Bainbridge Island” events calendar (see Exhibit 3) . Every lodging operation will be able to print the single-page PDF for their guests upon check-in. The attractive line-up of Island events shows our community’s diverse and high-quality offerings and encourages visits to local attractions.

OBJECTIVE C: Provide workshops and additional trainings to lodging owners and prospective owners, to ensure high quality lodging and satisfied overnight visitors.

An important part of BILA’s mission is to assist lodging owners to provide high-quality and attractive accommodations. This is a tourism strategy: to improve lodging quality and customer satisfaction. BILA learned, through our workshops with new and prospective lodging owners, that there is an ongoing need for training and informational resources for lodging owners. We want to continue working with COBI staff and other Island resources to provide quarterly training in which lodging owners can learn more about marketing, business management, licensing, insurance, sustainable environmental activities, and the many attractions on the Island.

OBJECTIVE D: Implement a new approach to promotion by partnering with Island attractions and businesses. This B2B approach will include expanded listings and promotions on the lodging website and travel packages aimed at matching overnight stays with multi-day tours, classes, and events being undertaken by our partners.

BILA has partnered with Island businesses and attractions in the past. For at least five years, our website has included pages on local food, events, and activities taking place on the Island (see Exhibit 1). We have previously packaged accommodations with wine festivals, downtown holiday shopping, concierge tours, and tickets to local productions. Our goal, for 2017, is making travel packages even more appealing, and bringing them into the digital age.

This proposal reflects BILA’s interest in including every restaurant and attraction on our enhanced website. We also propose to conduct a pilot program that will test the potential payoff from aggressive efforts to promote overnight accommodations in tandem with advertising for multi-day tours, classes and events — created, for example, by our partner organizations BARN, Winslow Art Center, the Wine Alliance. We anticipate adding more partners once funding is secured and expect to be able to offer 18 different packages.

BILA is planning a multi-media promotional campaign for the overnight packages. It will include targeted social media ads; blogging; a new website page with an additional identity of its own: **BainbridgeGetaways.com**; a new Bainbridge Travel newsletter; and a package of media and print resources from VKP (including radio broadcast, print and digital advertising).

Finally, we propose a new advertising campaign in community newspapers and on community websites in areas outside of a fifty-mile radius of Bainbridge Island. The campaign will be designed to promote overnight packages and to drive potential visitors to our website and event page. We look forward to working out the details of this advertising campaign with partners.

[C] If appropriate, provide details about the facility operating costs to be funded. N/A

2. Provide a brief narrative statement to address each of the stated selection criteria. Describe outcomes anticipated from each criterion, as well as the overall project.

A. Expected impact in increased tourism in 2017. Please provide estimates of how the project will impact the number of people traveling to Bainbridge from 50 miles or more one way from their place of residence, or traveling from another country or state. If appropriate, compare/contrast this impact to actual number of tourists at your event/facility in 2015 and estimates for 2016.

BILA's proposal has the potential to increase the number of people traveling to Bainbridge Island in several ways:

- Social media marketing will target people traveling at least 50 miles to reach the Island;
- The new trip-planning orientation of the website will enhance the attractiveness of the Island by presenting itineraries and information about Island events and attractions;
- Availability calendars will improve the ability for visitors to capture last-minute reservations;
- Travel packages, linking overnight accommodations with events and classes, will increase the number of people choosing to travel to the Island.

Since BILA serves, almost exclusively, overnight visitors, our estimated impact on the number of people traveling to Bainbridge Island is detailed in the following response.

B. Expected impact on or increase in overnight stays on the Island. Please include actual or estimated numbers of tourists who will stay overnight in paid accommodations in Bainbridge lodging estab-

Projected Impact on Paid Overnight Stays in 2017	Lodging Taxes Generated	Lodging Revenues Generated	Estimated Count of Room Nights	Estimated Count of Overnight Tourists	Change From Previous Year
2015	\$157,473	\$3,936,825	24,605	54,131	23%
2016	\$160,000	\$4,000,000	25,000	11,364	2%
5% Increase from new website	\$8,000	\$200,000	1,250	2,750	5%
Increase from overnight packages	\$5,280	\$132,000	800	1,760	3%
Increase from other trends	\$166,720	\$4,168,000	25,223	55,490	4%
Projected 2017	\$180,000	\$4,500,000	27,273	60,000	13%

ishments in 2017 as a result of proposed activities. Please include the basis for any estimates.

BILA's activities are projected to increase overnight bookings by 2,000 nights in 2017, and increase overnight tourists by nearly 4,500 visitors, as explained below.

With a heavily promoted new website we project that BILA can increase overnight stays year-round by 5% — increasing the count of overnight tourists by 2,750 (assuming an occupancy of 2.2 visitors per booking). This estimate is based on increases experienced in the first year at similar sites with the availability calendar and features that we are proposing. We also project 800 additional overnight stays due to the promotion of overnight packages — leading to an estimate of nearly 1,800 new overnight stays during the off season.

C. Projected economic impact on Bainbridge businesses, facilities, events and amenities., including sales of overnight lodging, meals, tours, gifts, and souvenirs.

Economic studies of the impact of travel and tourism in Washington State show that overnight visitors have a greater per capita economic impact. Dean Runyan Associates reports that for every \$1 spent on overnight accommodations \$4 is spent on local retailers, restaurants, arts and entertainment businesses. In fact, overnight visitors account for 79% of all visitor spending in the State of Washington. The most significant economic impact for Bainbridge Island appears to be through proposals that *specifically focus* on overnight visitors.

The Lodging Association’s proposal, adding 2,000 new overnight stays in 2017, should increase lodging tax revenues by \$13,000 and increase overnight visitor spending by \$1.3M.

D. The project’s potential to draw visitors to the Island and increase overnight stays during the off-season, i.e. October 1 until Memorial Day.

New overnight travel packages will be highly targeted toward off-season overnight stays on the Island. As noted in our response to Criteria B, BILA expects a 5% increase in overnight bookings, due to the new website, during the off-season. We also project 800 additional overnight stays due to the promotion of overnight packages — leading to an estimate of 1,600 new overnight stays during the off season.

E. The applicants’ demonstrated history of organizational and project success.

BILA has enjoyed 15 years of experience in managing tourism projects and lodging tax contracts. Individually, our member partners are business owners who study tourism markets, trends, and technology. We each undertake our own marketing activities and observe the results of our efforts with individual tourists, family reunions, weddings, meetings, tours and visitors considering a move to our Island.

In working on this application, we have brought together incredible backgrounds and talents. Innkeepers are former and current public employees, lawyers, developers, software engineers, landscape architects, designers, photographers, and artists. We bring extraordinary experience in project management, education and community efforts.

F. Describe any partnerships with other organizations and businesses in the proposed project – including efforts to minimize duplication of services and encourage cooperative marketing.

Our partnerships are described in our response to Question 2 in the preceding section. We believe that our proposal can significantly reduce duplication of services. In particular we are offering to make our lodging planner (listing all Island lodging) available to other tourism organizations, to local attractions, and to local businesses. We think that centralizing this activity will benefit all — as will our efforts to continue to promote other Island events and activities.

The proposed travel packages will streamline numerous organizational efforts to promote their activities to longer-distance tourists. If the travel packages prove successful, we will be able to put in place more and more cooperative marketing efforts — increasing tourism as well as the number of participants in the tours, classes, and meal offerings of our partners.

G. Describe the degree to which the project goals and/or results can be objectively assessed.

For 2017, BILA will rely on Google Analytics, Facebook Insights, and our website’s internal metrics to provide comprehensive data.

With the new listings we will be able to track the number of referrals to accommodations from our website — and we can estimate how many result in bookings for individual lodging businesses. We will be able to assess the importance of the websites where we embed our lodging planner; and we will count the number and types of links made to our website.

However, focusing solely on website metrics can distract us from the bigger picture – which is our impact on tourism. Our bottom line is increasing occupancy and lodging tax revenue as the real measures of our success. Staying focused on these measures — tied to the count of overnight visitors and the revenue produced, is the best way to ensure that various elements of our proposal are actually performing. Our success can be measured by the number of lodging and partner participants in our proposals, the count of workshop participants, purchases of overnight packages, changes in lodging occupancy and changes in lodging tax receipts.

H. Describe the degree to which the project will leverage award funds with additional matching funds or donated in-kind goods or services.

BILA's proposal will be matched by the following contributions:

- \$5,000 from lodging owners dues;
- \$9,600 in kind service for 2,500 hours of lodging partners' time (modestly valued at \$12 per hour) for training, counsel, promotion, & special events;
- \$5,000 in purchased professional marketing services from Visit Kitsap Peninsula;
- \$5,000 cash match in advertising and public relations programs from Kitsap Visitors Bureau;
- \$2,500 in-kind services for lodging listings (typically \$150 per accommodation);
- \$2,500 in-kind services for campaign development and oversight;
- Additional donations toward B2B Travel Packages for co-sponsors and lodging owners.

III. Supporting Documentation

1. Provide a project timeline that identifies major milestones.

Major Milestones	Date
Enter 2017 Lodging Tax Contract	January
Subcontract with software vendor and website designer	January
Develop and launch overnight packages for Spring & Summer	March
Recruit new lodging listings & dues-paying members	January - April
Conduct quarterly trainings and networking for lodging partners	Mar., Apr., Oct., Dec.
Redesign and launch new website	February - May
Promote new site with aggressive social media and Internet ads	May - August
Launch overnight packages for Fall & Winter	September
Assess impacts of project, apply for 2018 funding, prepare reports	Oct - Dec

2. Include a detailed budget for the proposed project itemizing expenses and income. Include the amount requested from the Lodging Tax Fund and identify other sources

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of funding anticipated or obtained, including matching funds, as well as any in-kind contributions necessary to complete the project.

A summary of BILA's 2017 Proposal Budget is presented here. A much more detailed budget, exceeding this limited space availability, is attached in Exhibit 5.

Project Budget Line Items	Income
2017 Lodging Tax Award	\$61,300
BILA Dues	\$5,000
Match contribution from VKP	\$5,000
Project Total Income	\$71,000

Project Budget Line Items	LTAC Request	Other Revenues	Value of In Kind
New Trip Planning Website	\$20,100	\$4,000	\$6,580
Revive Marketing & Promotional Tools	\$6,100	\$200	\$7,640
Promote Quality Lodging	\$2,400	\$800	\$1,800
B2B Partnership Activities	\$32,700	\$5,000	\$3,580
Project Total Expenses	\$61,300	\$10,000	\$19,600

- 3. If applicable, please describe the project's scalability. How would the project scope and budget be adjusted should the full amount of the LTAC funding request not be awarded? Please provide specifics.**

If full funding is not provided, BILA will undertake additional fund-raising and seek sponsorships for our activities. We may be able to sell advertising on our website, charge restaurants and attractions for listings (as other Bainbridge tourism organizations do). Or we may ask the partners in our B2B efforts to share advertising costs. If forced to make cuts in the proposal we would eliminate the line item for advertising in communities 50+ miles away.

If significant funding is not awarded in this round of lodging tax awards, we expect that our lodging association will simply disband. We think that this would be a major loss for the tourism economy on the Island. That would certainly disappoint the lodging owners who have worked so hard to preserve our organization and the partners who have joined us in submitting this energetic proposal.

- 4. Provide copies of your organization's 2015 income/expense summary and 2016 budget. Please see Exhibits 6 and 7**
- 5. Provide an estimate of 2016 revenue and expenses. Please see Exhibit 8**
- 6. Letters of partnership – include letters from any partnering organizations committing to joint sponsorship of the application and specifying their intended activities. Please see Exhibit 9 through 13**

IV. Attachments and Exhibits

Exhibits

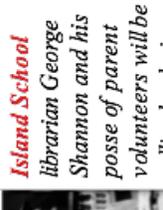
1. Screenshots of current website pages and blog
2. Screenshot of current availability calendar
3. Example of BILA's "This Week on Bainbridge Island" Printable Events Calendar
4. Estimates of Island Lodging Businesses and Overnight Accommodations
5. Projections for BILA Proposal's Impact on Tourist Count and Tourism
6. 2015 Income/Expense Summary
7. 2016 Budget
8. 2016 Revenue & Expenses (as of Sept. 1, 2016)

Letters of Partnership and Support

9. Letter from BARN
10. Letter from Winery Alliance of Bainbridge Island
11. Letter from Visit Kitsap Peninsula (VKP)
12. Letter from Winslow Art Center
13. Letter from Farmers Market

This week on Bainbridge Island

september - october 2015

FRI	SAT	SUN	MON	TUE	WED	THU
25  <p>Celebrate the start of Oktoberfest in Germany with an after-work party at Bainbridge Brew - including just-released fall beers, including the Brew-wery's own Washing-ton SMASH Pale Ale and SolPatch Pumpkin Ale.</p> <p>🕒 5p-9p 💰 Free 📞 206 451-4646 📍 9415 Coppertop Loop</p>	26  <p>Bainbridge Performing Arts welcomes stand-up comedian, radio host & comedy writer, Jubal Flagg for a one-night-only show. Known for his quick-wit, Flagg has entertained audiences for over 10 years. 18+</p> <p>🕒 7:30p 💰 \$21 📞 206 842-8569 📍 200 Madison Ave North</p>	27  <p>Celebrate Fall at the Friends of the Farms' Harvest Fair at the Johnson Farm. Not just for kids, the Fair encourages everyone to take a day and join local farmers for a Best Pie contest, turkey raffle & Harvest Fair Playbill</p> <p>🕒 11a-5p 💰 \$5 sugg. donation 📞 206 842-5537 📍 Fletcher Bay Road at Johnsonville Ln</p>	28  <p>Stop by KiDiMu for messy experimentation and sensory exploration featuring leaf painting. Kids practice sensory & motor skills and use imagination as they create their masterpiece with paint & dish brushes.</p> <p>🕒 10:30a-11:30a 💰 \$7 📞 206 855-4650 📍 301 Ravine Lane</p>	29  <p>The Bainbridge Island Art Museum's newest smARtFilm series focuses on Noir. See Billy Wilder's Double Indemnity. Dinner is available.</p> <p>🕒 7:30p 💰 Inquire 📞 206 842-4451 📍 550 Winslow Way East</p>	30  <p>Island School librarian George Shannon and his posse of parent volunteers will be selling books in celebration of back-to-school! Eagle Harbor Book Co. will donate 20% of all sales bet ween 5 pm and closing to supporting the Island School.</p> <p>🕒 5p-7p 💰 Free 📞 206 842-5332 📍 147 Winslow Way East</p>	1  <p>Kick-off a month of gourd hunting at the Bloedel Reserve's Super Squash Hunt! Children of all ages will enjoy the search and fall foliage.</p> <p>🕒 10a-4p 💰 \$15 adults; \$5-8 kids; 📞 206 842-7631 📍 7571 NE Dolphin Drive</p>



This events calendar is provided to Bainbridge Island Lodging Association members and their guests. For more activities, visit BainbridgeLodging.com.

Source: Project Lions; Clock created by James Rainford; Money by JoJo Gabriel; Mender Corvick; Photo by Alex S. Lohar; W. off finding by Rebekah M.S.

EXHIBIT 3: "This Week on Bainbridge Island" Events Calendar

EXHIBIT 4: Estimated Changes In Island Lodging 2011 to 2016

	2011 Room Count	2016 Room Count	Percent Change
Hotels			
Island Country Inn	45	45	
Best Western	51	51	
Subtotal Hotels	96	96	0%
Inns			
Eagle Harbor Inn	8	7	
Inn at Vineyard Lane	3	3	
Pleasant Beach Inn	7	12	
Subtotal Inns	18	22	28%
Shared Lodging			
Bed & Breakfast	6	2	
Retreats & Guest Houses	18	25	
Vacation Rentals	35	113	
Subtotal Shared Lodging	59	140	154%
Islandwood	54	54	
Campsites	35	35	
Subtotal	89	89	0%
Count of Rooms	262	347	37%
Count of Businesses	66	157	138%
Lodging Taxes	\$103,409	\$200,000	94%

EXHIBIT 5: Detailed Budget for Proposed Project for 2017

	LTAC REQUEST			BILA Match		
	Website Contracts	Marketing Contracts	Total Request	Matching Dollars	In-Kind Services	Total Match
New Trip Planning Website						
Brochure for lodging owners		\$1,250				
Mailings, advertising, followup with lodging owners		\$1,800			\$2,400	
Contract software for directory, calendar, & search	\$3,750	\$500				
Develop calendar synchronization		\$500		\$3,000	\$480	
Expand access to directory: link with tourism sites	\$400	\$1,800			\$1,200	
Duplicate directory and imbed in tourism sites	\$600					
Contract Jeff Logan: upgrade site name & design	\$3,000	\$2,500				
Google placement ads & social media marketing	\$3,000	\$1,000		\$1,000		
VKP in-kind membership trade					\$2,500	
Subtotal	\$10,750	\$9,350	\$20,100	\$4,000	\$6,580	\$10,580
Revive Marketing Tools to promote Island travel						
Blogging — 18 blogs		\$1,800			\$1,200	
Itineraries — 5 two-day packages		\$2,500			\$240	
Weekly Event Calendar — 12 issues		\$1,800		\$200	\$1,200	
Cooperative Marketing with VKP					\$5,000	
Subtotal		\$6,100	\$6,100	\$200	\$7,640	\$7,840
Promote quality lodging services						
Quarterly Training & Networking		\$1,600		\$800	\$1,200	
Resource Lists for local guest services		\$800			\$600	
Subtotal		\$2,400	\$2,400	\$800	\$1,800	\$2,600
B2B Partnerships						
Update website: restaurants & attractions		\$1,200			\$300	
Maintain and add links and imbedded lodging lists	\$300	\$1,200				
Develop and negotiate travel packages		\$6,000			\$780	
Contract for local design services		\$500				
Contract with VKP: radio, print, and digital ads		\$5,000		\$5,000		
Social Media Advertising	\$3,000					
Campaign development and management		\$2,500			\$2,500	
New Island Getaway Newsletter (12 issues)		\$3,000				
Advertising Campaign		\$10,000				
Subtotal	\$3,300	\$29,400	\$32,700	\$5,000	\$3,580	\$8,580
BILA				\$5,000	\$9,600	
Visit Kitsap Peninsula				\$5,000	\$12,500	
Project Totals	\$14,050	\$47,250	\$61,300	\$10,000	\$19,600	\$29,600

EXHIBIT 6: Lodging Association 2015 Income / Expense Summary

Bainbridge Island Lodging Association 2015 Income / Expense Summary

Income	Amount
Carryover from 2014	\$4,795
Member Dues	\$3,473
Member Volunteer hours (in-kind at \$12/hr.)	\$30,000
COBI 2014 Lodging Tax / Tourism Fund Award	\$23,359
Total Income	\$61,627

Expenses	Amount
Member Volunteer hours (in-kind at \$12/hr)	\$30,000
Office Expenses (incl. Printing & Supplies)	424
Legal, Accounting and Insurance	\$400
Print and Online Advertising	480
Website Development, Management and Consulting	\$9,865
Original Online Content, Blogging, Social Networking	\$14,582
Online and Print Promotion of events	\$1,405
Total Expenses	\$57,156

<i>Carryover to next year</i>	\$4,471
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EXHIBIT 7: Lodging Association 2016 Budget

Bainbridge Island Lodging Association

2016 Budget

Income	Amount
Carryover from 2015	\$4,471
Member Dues	\$2,856
Member Volunteer hours (in-kind at \$12 per hour)	\$24,000
COBI 2015 Lodging Tax 4th Quarter Reimbursement	\$4,585
Total Income	\$35,912

Expenses	Amount
Member Volunteer hours (in-kind at \$12 per hour)	\$24,000
Office Expenses (incl. Printing & Supplies)	\$2,000
Legal, Accounting and Insurance	\$400
Print and Online Advertising	\$0
Website Management (including 2016 4th Quarter)	\$6,000
Website and Marketing Strategic Consulting for 2017	\$1,450
Original Website Content, Blogging, Social Networking	\$0
Online and Print Promotion of events	\$0
Member Meetings	\$400
Three Workshops, Focus Group, and Survey Research	\$1,000
Total Expenses	\$35,250

Carryover to next year	\$662
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EXHIBIT 8: 2016 BILA Revenue & Expenses (as of Sept. 1, 2016)

**Bainbridge Island Lodging Association
2016 Revenues & Expenses through 9/01/2016**

Income	Amount
Carryover from 2015	\$4,471
Member Dues	\$2,656
Member Volunteer hours (in-kind at \$12 per hour)	\$24,000
COBI 2015 Lodging Tax 4th Quarter Reimbursement	\$4,585
Total Income	\$35,712

Expenses	Amount
Member Volunteer hours (in-kind at \$12 per hour)	\$24,000
Office Expenses (incl. Printing & Supplies)	\$132
Legal, Accounting and Insurance	\$400
Print and Online Advertising	\$0
Website Management (including 2016 4th Quarter)	\$4,480
Website and Marketing Strategic Consulting for 2017	\$1,450
Original Website Content, Blogging, Social Networking	\$0
Online and Print Promotion of events	\$0
Member Meetings	\$200
Three Workshops, Focus Group, and Survey Research	\$960
Total Expenses	\$31,622

Carryover to next year	\$4,090
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EXHIBIT 9: Letter of Support: BARN



September 28, 2016

Dear LTAC Committee members,

The Bainbridge Artisan Resource Network (BARN) supports the Bainbridge Island Lodging Association's request for funding under the City Improvement Fund.

BILA has approached us to partner in cross promotion and event collaboration, and we look forward to working with them to enhance the appeal of our artisan workshops for out of town guests. Having a link on our website that allows potential visitors to quickly see an up-to-date and accurate list of lodging options on Bainbridge will make it convenient for participants to book accommodations.

When BARN's new facility opens in the spring of 2017, we expect our classes and workshops will draw an expanding number of visitors from this region and beyond. Lodging will be an important part of ensuring that these valued guests have a positive Island experience.

As a fellow nonprofit organization, we understand and embrace the importance of working together in ways that benefit our organizations as well as our larger community.

Sincerely,



Mark A. Nichols, Executive Director

Bainbridge Artisan Resource Network (BARN)

BARN's mission is to build and support an open, intergenerational community of artisans and makers who are dedicated to learning, teaching, sharing, and inspiring each other with creativity, craftsmanship and community service.

EXHIBIT 10: Letter of Support: Winery Alliance of Bainbridge Island

LTAC Grant Selection Committee:

Please add our voice of support for BILA's application for LTAC funding.

The Winery Alliance of Bainbridge Island (WABI) is a critical part of growing the tourism of Bainbridge Island with a mission of raising awareness of Bainbridge Island as a wine destination worth the visit. WABI does this by producing the best wine possible using grapes grown on the island as well as from Eastern Washington and organizing events to attract wine lovers and promote tourism. In order to expand our efforts and increase attendance at our events, partnership with local organizations is imperative. BILA is an obvious and necessary partner to help us increase overnight stays on the island during our wine weekend events - Wine on the Rock.

We have been in discussion with BILA regarding destination packages and partnerships and understand the importance of diverse on-island lodging and offering a great overnight travel experience for our visitors.

We look forward to being involved in the BILA travel package offerings and are already in discussion about collaborating on a winemaker reception before our next Wine on the Rock event in November. Our first Wine on the Rock event in July was a 2 day sold out event drawing over 300 attendees from around the US and Canada. With additional funds and effective partnerships, we can grow these numbers even more and attract more visitors for overnight stays (especially in the off season) with BILA support.

Thank you,



EXHIBIT 11: Letter of Support: Visit Kitsap Peninsula



October 13, 2016

To: Members of the 2016 Bainbridge Island Lodging Tax Advisory Committee

Re: Bainbridge Island Lodging Association (BILA)

Dear Bainbridge Island Lodging Tax Advisory Committee Members:

Visit Kitsap Peninsula (VKP) appreciates the contribution that Bainbridge Island makes to Kitsap County's growing and successful tourism sector and diversification of the region's economy. We welcome the opportunity to partner with the Bainbridge Wine Alliance (BWA) and its membership in 2017 to showcase Bainbridge Island as a year-round destination for day and overnight visitors.

As part of this mutually beneficial regional partnership, Visit Kitsap Peninsula will contribute \$15,000 in combined cash and in-kind matching funds to BILA to implement marketing programs to promote Bainbridge Island lodging establishments that are the source of lodging tax revenues that benefit a wide-range of community events and non-profit organizations.

During the past several years, the VKP has promoted Bainbridge Island, its events, parks, attractions and many businesses on the VKP website. We have also featured BI locations on the KP National Water Trails map and the City of Bainbridge Island and cycling routes on the popular VKP Visitor Guide & Outdoor Recreation Map.

As part of the 2017 partnership, the VKP will provide BILA, its membership and strategic partners with year-round access to the powerful and popular VKP website, events calendar, digital newsletters and social media/marketing resources to promote lodging packages, support Bainbridge Island arts, recreation, farms and other tourism related activities to attract visitors.

Full hotels, B&Bs, Airbnbs mean full restaurants, pubs, galleries, shops, theaters, attractions and events that collectively help generate vital lodging tax dollars that benefit all Bainbridge Island tourism stakeholders.

The VKP encourages the lodging tax committee to approve the BILA application for 2017 and take advantage of the \$15,000 in matching marketing funds offered by Visit Kitsap Peninsula to support Bainbridge Island's 2017 tourism goals.

A handwritten signature in black ink that reads "Patricia Graf-Hoke". The signature is fluid and cursive, with a long horizontal line extending from the end.

Patricia Graf-Hoke

Director, Visit Kitsap Peninsula

EXHIBIT 12: Letter of Support: Winslow Art Center



Dear Lodging Tax Advisory Committee Members,

Winslow Art Center is dedicated to providing quality art instruction in a wide variety of media to those wishing to advance their talents and interest in the arts. We offer instruction in painting, drawing, mixed media, printmaking and encaustics, taught by nationally and internationally recognized professional artists and art educators.

In addition, we offer two to four day art workshops, with many attendees traveling to Bainbridge Island. We are excited to have the opportunity to partner with BILA on travel packages and to be able to offer a way to access available Island lodging directly from our website. We envision a potential partnership that might also include a yearly art convention and partnering with BILA on lodging packages in coordination of this.

Winslow Art Center strongly supports the Island Lodging Association's proposal to the LTAC, which would allow its partnership visions to become a reality. Thank you for your consideration.

Best,

Martha Jordan

*Martha Jordan
Owner
Winslow Art Center
278 Winslow Way East, Suite # 205
Bainbridge Island, WA 98110*

EXHIBIT 13: Letter of Support: Farmers Market



Bainbridge Island Farmers' Market
P.O. Box 10225
Bainbridge Island, WA 98110
www.bainbrigefarmersmarket.com

October 6, 2016

RECOMMENDATION FOR LODGING TAX GRANT

To Whom It May Concern:

The Farmer's Market supports the BILA Grant request for funding since it:

- Provides interesting lodgings so all businesses on the island can benefit from this service so tourists will stay on the island for more than a day or a few hours
- Provides considerable internet advertising so that Bainbridge is extensively advertised on the internet which brings tourists to the island
- Provides advertisements at their various lodgings to encourage guests to come to the Market
- Partners with other organizations which helps tourism--I know this since one of our vendors is also a lodger as well as a farmer
- Supports the Market through coming and purchasing our products which further advertises the Market. Many of our vendors provide the breakfast delights that their customers enjoy and this has gone on for many years
- Provides generous funds for island businesses

Presently the Market and BILA are discussing partnering with other businesses so we can increase tourism, overnight stays, and offer tourists a broader range of activities. We look forward to this new partnership of many businesses for we feel it will have very positive impact on all of our businesses. I've been in the Farmer's Market since it began and have seen it grow because of the impact of all these businesses and the support we all provide to each other. It's considerably different then when we began many years ago with a hand full of vendors who sold in front of one of the small shopping malls.

BILA should definitely be funded for it generates those funds. I've been an independent business person all my life and I'd put BILA at the top of the list--they generate those funds; they're entitled to receive the funds they request for I know from working this Market long term, that BILA has been a positive force in increasing tourism on Bainbridge--I've witnessed it. The Market benefits; all businesses benefit from their contribution and there was a time not that long ago when there were very few lodgings at which tourists could stay.

Peter Weber, President
Bainbridge Island Farmers Market