

**CITY OF BAINBRIDGE ISLAND  
2017 LODGING/TOURISM FUND PROPOSAL**

**Project Name:**

BI Local/BI Local Vendor Program

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**Name of Applicant Organization:**

IslandWood

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

501(c)(3) 31-1654076

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

5/18/1999, 601-956-138

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**Primary Contact:**

Sarah Bullock

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**Mailing Address:**

4450 Blakely Ave NE, Bainbridge Island, WA 98110

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**Email(s):** sarahb@islandwood.org

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**Day phone:** 206-855-4317

**Cell phone:** 206-465-3355

**Please indicate the type of project described in your proposal:**

<input checked="" type="checkbox"/>	Project Type
<input checked="" type="checkbox"/>	Tourism marketing
<input type="checkbox"/>	Marketing and operations of special events and festivals designed to attract tourists
<input type="checkbox"/>	Supporting the operations of a tourism-related facility owned or operated by a nonprofit organization*
<input type="checkbox"/>	Supporting the operations and/or capital expenditures of a tourism-related facility owned or operated by a municipality or a public facilities district*

\*If the proposal requests funds for a tourism-related facility, please indicate the legal owner of that facility:

N/A

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## LODGING/TOURISM FUND APPLICATION

### Applicant Information

**Please respond to each of these questions in the order listed. If the proposal includes multiple partners, please include the requested information for each organization.**

- 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.**

IslandWood was founded in 1998 with the mission to provide exceptional learning experiences and to inspire lifelong environmental and community stewardship. After extensive research, development, and campus construction, our flagship program, the School Overnight Program, commenced in 2002. This residential four-day, three-night program uses inquiry-based learning and hands-on experiences in the natural world to strengthen elementary students' understanding of academic concepts, to develop critical thinking skills, and to inspire stewardship behaviors. During their time at our School Overnight Program, 4<sup>th</sup>, 5<sup>th</sup>, and 6<sup>th</sup> grade students explore the five distinct ecosystems our 255-acre campus in small field groups led by graduate student instructors, performing investigations and other experiential learning activities that integrate science, math, language, and the arts.

In the decade since our founding, IslandWood has emerged as a regional leader in outdoor education. We have served more than 60,000 students through our elementary school programs and launched more than 300 educators into communities through our graduate programs—adding up to more than **1,000,000 hours** of learning in nature. Our central focus remains on serving socioeconomically disadvantaged youth, and we continually innovate our programs to reach more at-risk children, more deeply. Last year we provided more than \$1,000,000 in scholarships and financial support for hundreds of teachers and thousands of students, and we remain committed **to serving the children with the least access to opportunity.**

When children are not using our campus as their outdoor classroom, IslandWood's campus is used by other groups as a stunning, unique location for a variety of events, including conferences, meetings, retreats, and weddings. Income from our events business provides crucial support for our core education programs, and we have the capacity of 11,000 room nights per year. On average, we host 150 events per year, ranging from small one-day retreats for island nonprofits to week-long corporate events for nationally and internationally recognized companies. And, IslandWood's flourishing wedding business hosts twelve to fourteen weddings with 3,600 room nights each year. Last year, *The Seattle Times* recognized our potential as a tourist destination, by adding IslandWood to their published list of Seattle's "5 Hidden Gems" (2015), and by touting IslandWood as an "undiscovered and uniquely Northwest experience worth exploring."

Of 8,000 events guests who came to IslandWood in 2015, more than 2,300 of them came from a zip code outside the 98 prefix. Thus, over a quarter of our events guests are more likely to extend their stay on Bainbridge or extend their time on Bainbridge to shop to take advantage of local activities and attractions. Recent and upcoming conferences that draw a national or international audience to Bainbridge Island include: Environmental Leadership Program, National Arts Strategies Fellowship Conference, Tai Chi for Health, Tragedy Assistance for Survivors, University of Southern California, and the Impact Hub Global Gathering. In addition,

other high-profile events event and conference clients include the Bill and Melinda Gates Foundation, The Paul G. Allen Family Foundation, Presidio Graduate School, and the Fred Hutch Cancer Research Center.

- 2. If appropriate, please identify the project partner(s) and briefly describe the involvement of each. Please note that the maximum award of \$100,000 will apply to any single project, even if proposed by a team of partners.**

If the requested grant is approved, IslandWood will be better positioned to expand our partnerships with many Bainbridge Island businesses, including shops, restaurants, theaters, museums, wineries, breweries, marinas, gardens, parks and other Island attractions. The partnership will include highlighting these Bainbridge Island businesses in printed, high quality brochures and digitally on our website, thus driving additional tourist dollars to local businesses. We are pleased to attach letters of support from three of our partners.

- 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).**

N/A

- 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:**

N/A

### **LODGING/TOURISM FUND APPLICATION**

#### **Project Information**

- 1. Describe the proposed project.**
  - a. Identify the Project's main objectives and how each will be achieved.**

Funding from this grant will be used to launch IslandWood's "BI Local" campaign, which will nurture the connection between IslandWood and Bainbridge Island by formally connecting out-of-town guests coming to IslandWood with our local Bainbridge business community. With the grant funding, IslandWood will develop a brochure, tentatively titled "BI Local," which will encourage all IslandWood conference, events, and wedding visitors to patronize Bainbridge Island businesses, including shops, restaurants, theaters, museums, wineries, breweries, marinas, gardens, parks and other Bainbridge attractions. The color, high-quality brochure will include a map and descriptions of local businesses, and will potentially include a discount program with local businesses for guests staying at IslandWood. This "BI Local" brochure, which will be given to guests upon check in, will also be digitally produced on an enhanced 'Destination' page on our IslandWood website, and sent as a pre-arrival digital communication piece for all guests travelling to Bainbridge and staying at IslandWood. We feel this project will drive IslandWood guests to other Bainbridge locations before, during, or after their stay at IslandWood, and will result in increased tourism revenue for Bainbridge Island.

Grant funds will also be used to produce a "BI Local Vendor" guide for IslandWood's wedding clients. IslandWood has become a popular wedding destination site, and we average 12-14 weddings per year with 3,600 room nights. Our wedding clients often require products and services we cannot offer in-house, such as wedding cakes, special wedding favors and gifts, floral arrangements, photography, music, hair and nail styling, and wedding planners. The "BI Local Vendor" guide will connect our wedding clients with local vendors, and result in increased tourism revenue for Bainbridge Island.

**b. Be as specific as possible about the proposed services, measurable impacts, distribution method and costs.**

This project calls for the production of “BI Local,” a high quality, glossy brochure that highlights and promotes Bainbridge Island shopping, dining, tourist attractions, and outdoor activities. The brochure will be distributed to IslandWood’s out-of-town overnight guests who wish to explore the area during their stay at IslandWood. The initial print run will be for 5,000 brochures, and the piece will be distributed to overnight guests upon check-in at IslandWood. These pieces will also be prominently displayed in our Welcome Center. The “BI Local” printed piece will also be translated into a digital communication that all registered guest will receive prior to their arrival.

A separate piece will also be prepared: the “BI Local Vendor Guide” will be offered in print and digitally to our wedding customers and planners. We will distribute hard copies in our wedding sales kits, and provide digital copies in wedding proposals and planning tool kits.

In addition, this project calls for the development of an enhanced Destination Page on our IslandWood website. Please refer to the budget materials on page 7 for detailed information on projected costs.

We will measure the effect of the program by capturing anecdotal data from Bainbridge Island businesses. We will attempt to establish discounts with local businesses, and these discounts will allow businesses to report back to IslandWood on the number of patrons referred by the program. We will also add a survey question to our end-of-visit survey that captures if guests spend additional time or money on Bainbridge Island, and, if so, how much.

**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 on increased tourism in 2017. Please provide specific estimates of how the project will impact the number of people traveling to Bainbridge Island from fifty miles or more one way from their place of residence, or travelling from another country or state outside of Washington State. If appropriate, compare/contrast this impact to actual or estimated number of tourists at your event/facility in 2015 and estimates for 2016.**

Of 8,000 events guests who came to IslandWood in 2015, more than 2,300 came from a zip code outside the 98 prefix. Thus, over a quarter of our events guests are more likely to extend their stay on Bainbridge or extend their time on Bainbridge to shop to take advantage of local activities and attractions.

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

IslandWood houses the majority of our guests on our campus. On occasion, our wedding clients need additional lodging space, and we refer these guests to local inns and bed and breakfast establishments. Based on anecdotal evidence from our strong customer relationships, we can conservatively estimate the additional room nights on Bainbridge to total 100-500 annually.

- c. Projected economic impact on Bainbridge Island businesses, facilities, events and amenities, including sales of overnight lodging, meals, tours, gifts, and souvenirs (helpful data may be found on the Washington State Department of Commerce website).**

“BI Local”

Often our guests arrive on the Island prior to check in, and our overnight clients regularly ask for referrals of other things to do while on Bainbridge Island. The proposed “BI Local” brochure, which will be given to our event clients at check in and will be on hand in our Welcome Center, will acquaint our guests with Bainbridge Island and our local businesses and attractions. As a draw for out-of-town visitors to Bainbridge, IslandWood would like to begin intentionally nurturing our potential to enhance economic prosperity in the community. Developing our campaign to keep guests local as they extend their pre and post-meeting trips will support local businesses and economic development. The expenditures by IslandWood guests while on Bainbridge are currently unknown. If the grant is received, though, we will add a survey question that captures if guests spend additional time or money on the island and, if so, how much.

“BI Local Vendor”

This project would promote local vendors to our wedding clients. As IslandWood cannot provide all the desired products and services required for a weekend wedding in-house, we refer this ancillary business to local vendors. While we now refer our wedding clients to local businesses informally, we anticipate that a professional brochure and enhanced website will drive additional tourist business for Bainbridge Island.

- 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.**

While IslandWood has a substantial summer wedding business, the vast majority of our conferences and special events take place during the off-season between Labor Day and Memorial Day. Indeed, we have found that corporate, non-profit, and academic customers prefer to hold events during off-season months, as there are fewer absences due to vacations. We are a year-round venue, offering both outdoor and indoor services throughout the year. Further, IslandWood’s wedding business has expanded past the “traditional” tourist season; in 2016, IslandWood hosted weddings in late October and early May.

**e. The applicants' demonstrated history of organizational and project success.**

Since 2002, we have been a leader in environmental education in our region, and have seen continued, responsible growth in impact and recognition each year since our inception. We recognize the importance of our events and conferences revenue stream to our organization and the greater community, and we have worked to build this line of business over the past 3 years, though our marketing budget remains relatively small. The current professional Event Sales team of three has over 50 years of combined experience in destination and hospitality sales. Through sales efforts, strategic brand work, affordable digital marketing (such as leveraging the low cost of Google AdWords for nonprofits), and segment specific sales efforts, we have increased the revenue earned from conferences and events by an average of 10 percent each year. Further, by strengthening the brand experience of IslandWood weddings, we have nearly doubled the revenue of each wedding by increasing the guest count and developing a stronger food and beverage program. The team at IslandWood is excited to facilitate even more growth for the organization and the community through the "BI Local" and "BI Local Vendor" campaigns.

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

The "BI Local" project will help promote Bainbridge Island businesses, including shops, restaurants, theaters, museums, wineries, breweries, marinas, gardens, parks and other Bainbridge attractions, while the "BI Local Vendor" project will promote many Bainbridge Island retail and service businesses. We will seek to partner with Bainbridge businesses to create the brochures, and we believe these businesses will be eager to work with IslandWood and receive the benefit of additional tourist business.

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

We will measure impact by tracking the "BI Local" rate of pick up from our Welcome Center, as well as the traffic to our enhanced "Destination Page" on our website. In addition, we will explore developing a "IslandWood Discount" with local businesses, and we will work with our partners to track presentation and use of discount. In addition, we will add a survey question that captures if guests spend additional time or money on the island and, if so, how much.

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

Please see detailed budget. IslandWood will contribute \$5,000 in additional funds to the project, representing staff time managing and executing the project.

**LODGING/TOURISM FUND APPLICATION**  
**Supporting Documentation**

**1. Provide a project timeline that identifies major milestones.**

“BI Local” and “BI Local Vendor” information gathered from partners	January 1-31, 2017
“BI Local” and “BI Local Vendor” brochures designed	February 1-28, 2017
“BI Local” and “BI Local Vendor” brochures printed	March, 2017
Enhanced Destination Page on Website designed	January 1-February 28, 2017
Distribution of digital and print brochure	Beginning March 15, 2017

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

Item	Budgeted Amount	LTAC Contribution	IslandWood Contribution
Event Team Support	\$4,000	\$2,000	\$2,000
Marketing Team Support	\$4,000	\$2,000	\$2,000
Design Services	\$2,500	\$2,000	\$ 500
Printing	\$2,000	\$2,000	
Enhanced Destination Page Web Design	<u>\$2,500</u>	<u>\$2,000</u>	<u>\$ 500</u>
<b>Total</b>	<b>\$15,000</b>	<b>\$10,000</b>	<b>\$5,000</b>

**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 this information is not provided, the award committee will not consider alternative levels of funding.**

If less than the requested amount is received, we will likely proceed with the full project, but the timeline will be delayed and there is a risk of us not completing the “BI Local” brochures before the peak summer season due to staff budget and capacity limitations. If we do not receive funding, IslandWood will most likely delay the creation of the printed “BI Local” and “BI Vendor” brochures and focus our efforts on the IW destination web page.

**4. Provide copies of your organization’s 2015 income/expense summary and 2016 budget.**

As our fiscal year end is 6/30, we have attached our FYE2016 income/expense summary vs budget to this proposal.

**5. Provide an estimate of 2016 revenue and expenses.**

As our fiscal year end is 6/30, we have attached our FY2017 income/expense budget to this proposal.

**6. Letters of Partnership – Include letters from any partnering organizations committing to joint sponsorship of the application and specifying their intended activities.**

Please find attached letters of partnership from Blackbird Bakery, Eagle Harbor Books and All Seasons Rental.



**Fiscal Year 2016 Organizational Budget vs. Actuals  
July 1, 2015 – June 30, 2016**

	<u>As of 06/30/2016</u>	
	<b>Actual</b>	<b>Annual Budget</b>
Contributed Income		
Annual Gifts		
Individuals	2,376,857	2,277,542
Grants	579,860	603,500
Total Annual Gifts	<u>2,956,717</u>	<u>2,881,042</u>
Special Events	129,447	150,000
Other Contributed Income	73,638	67,000
Total Contributed Income	<u>3,159,801</u>	<u>3,098,042</u>
Conferences/Events	2,315,233	2,141,000
School Overnight Program	1,340,601	1,364,520
Graduate Studies	895,332	941,850
Brightwater Program Fees	129,053	107,200
Summer Programs	150,414	145,540
Community Events	4,725	5,500
Other Earned Income	39,681	15,200
Earned Income	<u>4,875,038</u>	<u>4,720,810</u>
Endowment Transfers	716,083	864,340
Revenues	<u>8,750,922</u>	<u>8,683,192</u>
Personnel	5,381,000	5,150,288
Professional Services	500,917	472,300
Direct Program Costs	1,498,111	1,557,887
Departmental Administration	279,629	265,102
General Administration	363,389	368,348
Operations and Facilities	437,873	637,240
Depreciation	124,397	129,000
Expenses	<u>8,585,316</u>	<u>8,580,165</u>
Net Surplus	<u>165,607</u>	<u>103,027</u>



**Operating Budget  
Fiscal Year 2017  
July 1, 2016 – June 30, 2017**

	<b>FY17 Budget</b>
<b><i>Contributed Income</i></b>	
Individuals	\$ 2,174,920
Grants	482,000
<b>Total Annual Gifts</b>	<hr/> <b>2,656,920</b>
Special Events	515,000
Other Contributed Income	50,000
<b>Total Contributed Income</b>	<hr/> <b>3,221,920</b>
Conferences/Events	2,235,000
School Overnight Program	1,406,116
Graduate Studies	627,960
Urban School Program	217,775
Summer Programs	174,480
Community Events	5,500
Other Earned Income	26,025
Earned Income	4,692,856
Endowment Transfers	821,513
<b><i>Revenues</i></b>	<hr/> <b>8,736,289</b>
Personnel	5,428,918
Professional Services	349,987
Direct Program Costs	1,547,385
Departmental Administration	260,720
General Administration	387,674
Operations and Facilities	583,020
Depreciation	127,000
<b>Total Expenses</b>	<hr/> <b>8,684,704</b>
<b>Net Surplus</b>	<hr/> <b>\$ 51,585</b>

# **ALL SEASONS EVENT RENTAL**

**"FROM GLASSES TO TENTS WE MAKE YOUR EVENTS"**

**8820 MILLER RD. BAINBRIDGE ISLAND, WA 98110**

**206-780-6649**

October 3, 2016

Lodging Tax Advisory Committee  
City of Bainbridge Island  
280 Madison Ave. North  
Bainbridge Island, WA 98110

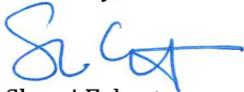
Dear Lodging Tax Advisory Committee:

I write this letter to express All Seasons Event Rental's endorsement of IslandWood's application of funding through the Lodging Tax Advisory Committee. Though IslandWood is mainly known for its work in outdoor education, we enjoy a thriving vendor relationship with IslandWood through their events and conference business. We see IslandWood as an important business partner who drives rental business to our company, and wholeheartedly recommend IslandWood for this grant.

Event, wedding, and conference clients who come to IslandWood will require additional equipment for their outdoor wedding and special event business. IslandWood event planners refer this need to our company, and we provide outdoor chairs and various other equipment frequently during the summer season. We enjoy an excellent relationship with IslandWood, and benefit from their consistent referral business.

We see IslandWood as a wonderful part of the Bainbridge Island community, both in terms of the business they generate on the Island and the important work they do in environmental education. Please do not hesitate to call me if you have any questions.

Sincerely,



Sherri Eckert  
Owner



Lodging Tax Advisory Committee  
City of Bainbridge Island  
280 Madison Ave. North  
Bainbridge Island, WA 98110

Dear Lodging Tax Advisory Committee:

I write this letter to express Blackbird Bakery's endorsement of IslandWood's application of funding through the Lodging Tax Advisory Committee. Though IslandWood is mainly known for its work in outdoor education, we enjoy a thriving relationship with IslandWood through their events and conference business, and offer our support as they apply for funding.

IslandWood hosts weddings almost every weekend during the wedding season, and regularly refers brides and grooms to our business for wedding cakes and other bakery gifts and offerings. In addition, we find that conference and event visitors to IslandWood often stop by our bakery on their way to or from IslandWood. We feel that IslandWood's plan to develop a "BI Local" map and list of Bainbridge attractions that they can share with their event and conference clients both digitally and on paper would drive additional tourist business to Blackbird, and would benefit many other Island businesses as well.

We see IslandWood as a wonderful part of the Bainbridge Island community, both in terms of the tourist business they generate on the Island and the important work they do in environmental education. Please do not hesitate to call me if you have any questions.

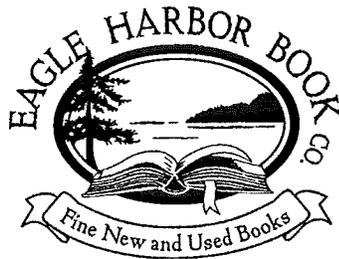
Sincerely,



Heidi Umphenour  
Owner, Blackbird Bakery

**blackbird bakery**

210 Winslow Way East • Bainbridge, WA. 98110  
(206) 780 1322 FAX: 780 1422



Lodging Tax Advisory Committee  
City of Bainbridge Island  
280 Madison Ave. North  
Bainbridge Island, WA 98110

4 October 2016

Dear Lodging Tax Advisory Committee:

I am writing this letter to express Eagle Harbor Book Co.'s endorsement of IslandWood's application of funding through the Lodging Tax Advisory Committee. Though IslandWood is mainly known for its work in outdoor education, we enjoy a thriving relationship with IslandWood through their community events and conference business, and offer our support as they apply for funding.

In 2015, IslandWood brought renowned author Terri Tempest Williams to IslandWood for a women's conference called Circle of Friends. IslandWood brought Eagle Harbor on site to sell Tempest's books, and our store enjoyed robust sales and the wonderful opportunity to reconnect with the author. We partnered with IslandWood in a similar vein when Cheryl Strayed came to campus in 2014, and expect to partner next year when Elizabeth Gilbert comes to IslandWood. We hope to offer future community environmental conversation events aimed at Island residents with IslandWood's partnership.

In addition, we regularly find that conference and event visitors to IslandWood stop by our store on their way to or from IslandWood. IslandWood's plan to develop a "BI Local" map and list of Bainbridge Attractions that they can share with their event and conference clients both digitally and on paper would drive additional tourist business to Eagle Harbor Books.

We see IslandWood as a wonderful part of the Bainbridge Island community, both in terms of tourist business they generate on the Island and the important work they do in environmental education. Please do not hesitate to call me if you have any questions.

Sincerely,

Victoria Irwin  
Events Manager