

AGREEMENT FOR LODGING TAX FUNDS

THIS AGREEMENT FOR LODGING TAX FUNDS (“Agreement”) is entered into on the date written below between the City of Bainbridge Island, a Washington State municipal corporation (“City”), and Bainbridge Island Downtown Association, a Washington State nonprofit corporation] (“Recipient”).

WHEREAS, the Recipient submitted a proposal for Lodging Tax funds for multi-media destination marketing as described in **Attachment A**; and

WHEREAS, upon recommendation of the Lodging Tax Advisory Committee and approval by the City Council at their December 11, 2018 meeting, the City has awarded this Agreement to effectuate the scope of work, as described in **Attachment A**; and

WHEREAS, the Recipient has the expertise and experience to arrange for said services and work 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 AND WORK BY RECIPIENT

The Recipient shall arrange for the services and work as specified in this Agreement and as necessary to accomplish the scope of work attached hereto as **Attachment A** and incorporated herein by this reference as if set forth in full. 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 scope of work set forth in **Attachment A** shall also include a project budget for the services and work to be performed for the City under this Agreement.

The Recipient, in its activities and promotional materials, shall acknowledge financial support from the City related to the work and services funded by this Agreement.

2. 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, 2019, unless sooner terminated by either party as provided below. The terms of this agreement shall cover activities performed by the Recipient between January 1, 2019 through December 31, 2019.

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 3 for any satisfactory work completed prior to the date of termination.

3. PAYMENT

A. The City shall pay the Recipient Fifty Thousand Dollars (\$50,000.00) for all services and work performed and all approved expenses incurred for the sole and specific purpose of accomplishing the scope of work, according to the budget provided within **Attachment A**, in amounts to be billed quarterly. The Recipient shall execute this Agreement by March 31, 2019, in order to receive funding, and all goods and services specified in this Agreement shall be provided during calendar year 2019.

B. The Recipient shall submit, in a format acceptable to the City, quarterly invoices for services performed in a previous quarter. Each 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. The City shall pay all invoices by mailing a City check within sixty (60) days of receipt of a proper invoice from the Recipient.

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.

4. REPORT ON EXECUTION OF SERVICES

The Recipient shall submit a report on services and work prior to or accompanying its final quarterly invoice, but not later than January 17, 2020. This report should be no longer than five pages, excluding budget detail, and should follow the outline below:

- Summarize the activities undertaken in providing the scope of 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.
- Provide a good faith best-estimate of actual attendance generated by the scope of work 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.

5. 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 if 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.

6. 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 its 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 and work required under this Agreement. The Recipient shall make no claim of City employment nor shall the Recipient 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.

7. NONDISCRIMINATION 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 7 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.

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 and 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 their 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 shall defend, indemnify, and hold the City, its officers, employees, and volunteers harmless from any and all claims, injuries, damages, losses, or suits, including attorneys' fees, arising out of or resulting from the acts, errors, or omissions of the Recipient in the performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

B. Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Recipient and the City, its officers, officials, employees, and volunteers, the Recipient's liability, including the duty and cost to defend, hereunder shall be only to the extent of the Recipient's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Recipient's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

C. 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.

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

11. INSURANCE

The Recipient shall maintain insurance as follows and as further described in **Attachment B**:

- Commercial General Liability as described in **Attachment B**.
- Directors and Officers Liability as described in **Attachment B**.
- Automobile Liability as described in **Attachment B**.
- Workers' Compensation 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 A and B**, 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.

21. COUNTERPARTS

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the later of the signature dates included below.

BAINBRIDGE ISLAND DOWNTOWN
ASSOCIATION

CITY OF BAINBRIDGE ISLAND

Date: 2-25-2019

Date: February 15, 2019

By: GERALDINE A LANE



By: _____

Name: Geraldine A Lane

Morgan Smith, City Manager

Title: Executive Director

Tax I.D. #: EIN 91-1390519

ATTACHMENT A
SCOPE OF WORK

Lodging/Tourism Fund Application 2019 submitted 9/20/2018
 Bainbridge Island Downtown Association Project Budgets Attachment A

REV 11/26/18

	A	B	C	D	E
1	Project	Cost	Estimated Matching Funds	Requested LTAC - REV Funding	Award
2	Bainbridge Island Visitors Bureau				
3	Staffing	\$29,000	\$15,000	\$18,000.00	
4	Marketing materials	\$2,500		\$1,785.00	
5	Event Representation	\$3,000		\$1,000.00	
6	Mailing	\$1,000		\$500.00	
7	Office Supplies	\$500		\$250.00	
8	Total cost BI Visitors Bureau	\$36,000	\$15,000	\$21,535.00	
9	180,000 Walkabout Guides				
10	Graphic Design	\$2,500			
11	Printing	\$19,164			
12	Labor	\$6,000			
13	Distribution Certified Folder	\$5,300			
14	Total Cost Walkabout	\$32,964	\$25,800	\$7,164.00	
15	Membership Washington Tourism Alliance	\$500	\$0	\$500.00	
16	Membership Visit Seattle	\$350	\$0	\$350.00	
17	Membership/conferences Main Street	\$5,200	\$5,000	\$200.00	
18	Celebrate Bainbridge/July3 Street Dance				
19	Liability Insurance	\$1,021			
20	Staff Labor	\$12,000			
21	Hired Labor/Onsite Execution	\$6,000			
22	Bands/Entertainers	\$5,500			
23	Advertising/Promotion	\$2,600			
24	Equipment Rental/Signage	\$1,200			
25	Celebrate Bainbridge Pro Rata	\$1,500			
26	Event Supplies	\$1,000			
27	Permits, Printing, Postage, Design,	\$1,850			
28	Contract Services AV	\$8,000			
29	Total July 3	\$40,671	\$32,320	\$8,351.00	
30	Holiday Promotions				
31	Event supplies	\$2,300			
32	Graphic Design/signage	\$3,300			
33	Printing	\$5,400			
34	Staff labor	\$11,000			
35	Postage	\$1,900			
36	Misc Office Expenses	\$600			
37	Storage Holiday Decorations	\$2,100			
38	Distribution Certified Folder	\$1,200			
39	Audio Visual/Tree Lighting	\$2,200			
40	Electric Elves/Tree décor/install/dismantle	\$1,200			
41	Advertising	\$2,200			
42	Total Holiday Promotions	\$33,400	\$21,500	\$11,900.00	
43	Total Cost/Partnerships/Bida Award Request	\$148,735		\$50,000.00	50,000.00

CITY OF BAINBRIDGE ISLAND
 Revised 2019 LODGING/TOURISM FUND
 PROPOSAL COVER SHEET

Project Name: Bainbridge Island Downtown Association Multi-Media Destination Marketing Campaign

Name of Applicant Organization:

Bainbridge Island Downtown Association (BIDA)

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

BIDA is 501(c) (3). Tax EIN #91-1390519

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

Incorporated 1992. UBI#601 389111

Primary Contact:

Jerri Lane, Executive Director - Bainbridge Island Downtown Association

Mailing Address:

147 Madrone Lane North Bainbridge Island, WA 98110 Email(s):

info@bainbridgedowntown.org

Day phone: 206.842.2982

Cell phone: 206.331.1984

Please indicate the type of project described in your proposal:

v	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*

Applicant Information

1. **BIDA mission, history and areas of expertise:**

The mission of the Bainbridge Island Downtown Association (hereinafter referred to as BIDA) is to build and sustain community through a vibrant downtown. By partnering with the BI Chamber of Commerce (BICC), The BI Lodging Association (BILA) and engaging with our local community to promote the downtown Bainbridge neighborhood and business district, BIDA promotes downtown as the heart of our island and a unique place to live, work, visit, stay, dine, shop and play.

Incorporated in 1992, since 1998, BIDA has been recognized as one of only 12 Washington Main Street Programs accredited as an Historic Main Street by the National Trust for Historic Preservation. The Washington Trust for Historic Preservation manages the Washington Program under the auspices of the Washington State Department of Archaeology & Historic Preservation. BIDA works throughout the year to create and support a downtown that offers visitors and locals unique experiences including:

Walkabout Guide- BIDA will produce 180,000 of the popular annual *Walkabout Guide* which is distributed by Certified Folder Display to more than 270 Seattle/regional visitor locations including hotels, conference facilities, ferries, visitor information locations, Cruise terminals and tourism specialists throughout the Puget Sound. Virtual exposure for the *Walkabout Guide* is provided via the digital displays on the Washington State Ferries (WSF) Bainbridge Island-Seattle route and on BIDA's website.

BIDA produces a year-round calendar of high-quality promotions and events that encourage local and out of town visitor traffic. A partial list of events includes the Monthly Art Walk, July 3 Street Dance; Girlfriend's Day Out; Trick or Treat Downtown and a full six week complement of Holiday special events. Summer floral hanging baskets and holiday decorations are provided by BIDA. BIDA also manages the over the street Banner program, kiosks and seasonal Light Pole Banners.

BIDA has a rich history of providing services and activities essential to successfully attracting and engaging local, regional, national and international tourism. For more than a decade, BIDA has worked closely with the Seattle/King County Concierge Associations (accounting for approximately 15% of direct visitor referrals), Visit Seattle, Cruise Ships and Kitsap Peninsula Visitors and Convention Bureau to communicate current information on the variety of new and existing retail businesses, restaurants, waterfront recreational activities, itineraries, festivals, events and lodging that make Bainbridge Island a popular visitor destination. According to the WSF statistics, year to date, we are tracking a 1.7% increase in ferry traffic. Visitors come from every state in the Union, every Province in Canada and over 40 countries. The Seattle/Bainbridge route accounts for 25% of total ferry traffic.

In 2017, BIDA and BICC partnered to hire Chris Mueller, a part time Director of Visitor Development whose specific goals include targeting visitor traffic during off-peak periods of October - May.

Thanks in part to BIDA's, BICC and BILA's focused destination marketing efforts, Bainbridge Island and our Historic Downtown are now being regarded as a not-to-be-missed destination, essential for inclusion in itineraries by meeting planners, travel agents and leisure travelers as they plan their visits to the Pacific Northwest. In 2017, Bainbridge was voted Best Tourist Attraction according to a Bainbridge Island Review reader vote. Other

accolades included the July 3 Street Dance which was voted one of the Best Charity Events and one of the Best Festivals.

2. Project Partners:

BIDA is proud to have many island partnerships. The Rotary Club of Bainbridge Island, Bainbridge Youth Services, The Bainbridge Island Chamber of Commerce, Destination Bainbridge (BILA), Bainbridge Community Foundation, BI Parks, the Bainbridge Arts and Humanities Council, BI Historical Museum, BIMA, Bloedel Reserve, Pleasant Beach Village, Kiwanis and many others are solid partners.

Although this is not a partnership proposal, BIDA, the Bainbridge Island Chamber of Commerce and the Bainbridge Island Lodging Association (Destination Bainbridge) have collaborated to assure our proposals each address a separate part of destination marketing, with minimal overlap. Because Bainbridge Island does not have an official Visitors Bureau, this approach is essential to maximizing the usage of LTAC funding to reach as many travel segments/booking channels as possible. The three organizations operate as a central communication funnel marketing island events, attractions, lodging, businesses and promotions.

BICC provides a solid web presence ranking high on SEO searches, an information center and a distribution center for island collateral materials; BILA provides information on available lodging with links to individual lodging facilities. In 2017, BILA hired Kelly Gurza who is focusing her market outreach to the Kitsap Peninsula and is working with Chris Mueller in developing sample itineraries for visitors, and organizing promotional familiarization tours to the Island.

In 2017, in accordance with our 2017 LTAC proposal, BIDA and BICC hired Chris Mueller to serve as Director of Visitor Development for Visit Bainbridge. Her responsibilities include working with Seattle/King County Concierge teams, Destination Management Organizations and Visit Seattle to engage travel/event decision makers and to educate them on Bainbridge Island's capabilities. The BIDA/BICC partnership is styled as Visit Bainbridge. Chris and Kelly are working together on developing strategic plans to work together on itineraries, trade shows, FAM tours and other joint marketing efforts to assure maximum reach and minimum overlap.

3. Lodging Tax (Civic Improvement Fund) within the last five years (2013-2018):

Year	Initiative	Requested	Funded
2018	Destination Marketing Campaign	\$68,500	\$57,000
2017	Destination Marketing Campaign	\$72,375	\$48,000
2016	Destination Marketing Campaign	\$54,170	\$51,842
2015	Destination Marketing Campaign	\$60,016	\$29,015
2014	Destination Marketing Campaign	\$30,355	\$24,735

4. Unfunded/incomplete projects: None

Project Information

1A Scope

The main objective of BIDA's multi-media Destination Marketing project is to stimulate economic growth by promoting visitor and local traffic to the Bainbridge Island downtown, with an emphasis on off-peak periods (October - May).

Strategies include targeted outreach to increase visitor traffic and overnight stays particularly in the off-peak season; to produce and distribute a useful *Walkabout Guide* to invite, guide and educate visitors; to assure a vibrant, beautiful, seasonally decorated downtown; to produce and market successful events which draw locals and visitors; to effectively partner with on island and off island organizations positioned to refer visitors; to host an informative and dynamic website (linked to BICC's and BILA's websites) and to maximize the impact and growth of social media channels. BIDA and BICC have also partnered in hiring Chris Mueller as a part time Director of Visitor Development styled as Visit Bainbridge. This initiative is a precursor to forming a true Bainbridge Island Visitors Bureau in the future.

In order to achieve our goals, it is necessary to maintain:

- Membership in Visit Seattle
- Membership in the Washington State Tourism Alliance
- Membership in the North Kitsap Tourism Coalition
- Membership and participation in the Washington State and National Main Street Associations.

1B Proposed Projects/Services – Budgets and Timelines

A. Visit Bainbridge/Tourism (Future Bainbridge Island Visitors Bureau)

Chris Mueller, The Chamber and Kelly Gurza with Destination Bainbridge (BILA) are working closely together to assure maximum market penetration with minimal overlap. Based on Visit Seattle key metrics, we expect a 2.5% increase in 2019 visitor spending, and a 1.4% increase in overnight stays. Limited lodging and meeting inventory affect our ability to grow overnight stays and although the estimated opening date is 2020, the much anticipated new 60 room hotel on Winslow Way will boost Bainbridge Island's lodging inventory.

Since hired in 2017, Chris Mueller has delivered solid results, including:

- :Economic impact in excess of \$50,000
- Developed partnerships with more than 40 Island groups and organizations
- Developed sample itineraries highlighting different segments of the Island's attractions..
- Meeting regularly with major group decision makers including SH Worldwide, one of Seattle's largest Destination Management organizations. DMOs are responsible for site selection and execution of onsite events for large conferences and conventions.
- Hosted many familiarization tours including the Visit Seattle staff and SH Worldwide team.

- Participated in trade shows like Taste of Washington, Main Street Conferences and Seattle Concierge Convention.

For the first 7 months of 2019 there are 90 Seattle conventions planned with an attendee count of 214,203 plus spouses/guests. In 2018 there were 219 Seattle Cruise ship sailings with a passenger count of over 500,000. We anticipate 2019 will be comparable. Chris Mueller is working with all entities to promote pre, post, off site and spouse programs across all market segments to visit Bainbridge Island.

Visit Bainbridge: Cost of Operation including staffing, marketing materials, trade show representation, familiarization tours, mailings and office supplies: **\$36,000**. Detailed budget, LTAC request and estimated matching funds attached. *COST*

B. Walkabout Guide

BIDA will revise, produce, print and distribute 180,000 copies of the annual Walkabout Guide to 270 visitor locations in the Pacific Northwest

Walkabout Guide: Cost of Operation including staff labor, production, graphic design, printing, distribution **\$32,964**. Detailed budget, LTAC request and estimated matching funds attached. *COST*

C. Washington Tourism Alliance and Visit Seattle Memberships: Membership fees total \$850.

D. State and National Membership dues, conferences and travel required to maintain National accreditation as a Historic Main Street.

BIDA is one of only 12 nationally accredited Washington State Historic Main Streets. In order to maintain that status, BIDA must pay membership fees and the Executive Director must attend four required state conferences yearly.

Cost of Operation including state and national memberships, conferences and travel: staffing: **\$5,200**. Detailed budget, LTAC request and estimated matching funds attached. *COST*

E. Celebrate Bainbridge/July 3 Street Dance

BIDA produces and executes the popular July 3 Street Dance. Estimated attendance at the 2018 Street Dance exceeded 15,000, including both locals and visitors. Featuring three bands, a DJ, fourteen food Vendors, Touch a Truck and a Kiddie Korner, this event is a solid community event that relies heavily on volunteer participation.

In 2016, BIDA entered into a partnership with Rotary, BICC, BYS, COBI and several other island organizations styled as ***Celebrate Bainbridge***. The strategy behind Celebrate Bainbridge is to develop and joint market a full scope of back to back events designed to attract locals and to encourage visitors to stay several days. The partnership allows joint marketing for all events and the collateral materials are distributed both in an island-wide direct mail to all island postal customers, on the ferries, and to Seattle/King County Concierges.

This will be the fourth year of the partnership and will expand to five full days of island activities. In 2019, The Rotary Auction is June 29; the Boater's Fair is July 1, an additional event is in development for July 2; BIDA's Street Dance is July 3, and the Grand old Fourth will bookend the events. The group supports the BYS Fun Run, Old Timers Game and the Fireworks as well as the football booster club's pancake breakfast. Due to demands on a limited volunteer force for these back-to-back events, BIDA will need to hire additional labor to effectively execute the July 3 Street Dance.

Cost of Operation Including insurance, labor, entertainment, advertising, equipment, Celebrate Bainbridge partnership, permits, printing, postage, graphics and contract services: **\$40,671**. Detailed budget, LTAC request and estimated matching funds attached. *cost*

F. Holiday Promotions and Events in 2019 BIDA will produce and distribute 20,000 Holiday Event Guides promoting six full weeks of island holiday events. In 2018, we produced 20,000 Guides – 12,900 will be direct mailed to all Bainbridge Island postal customers and the remainder will be distributed to Seattle/King County hotel Concierges and other visitor centers by Certified Folder.

BIDA Holiday Event promotions include a chance to win one of five \$500 shopping sprees; the Elf on the Downtown Shelf program; Giving Trees; Small Business Saturday; Strolling carolers; Open House Saturday; Photos with Santa; participation in Winter Wonderland; Installation, removal, maintenance and storage of the over the street Stars and Scrolls; and installation of decorative light pole banners. BIDA purchases the community Holiday tree and decorations and coordinates volunteers to install and decorate. BIDA also produces the Holiday Tree Lighting ceremony with a full program of volunteer entertainment and arrival of Santa on his fire truck. In 2017, of the 1,700 entries for the shopping sprees, 25% were visitors from out of town and over 1,200 were new unique local contacts asking to be added to BIDA's communication channels.

Cost of Operation including labor, graphic design, holiday decoration storage (yearly), distribution, printing, advertising, supplies, postage, audio visual and office expense: **\$32,200**. Detailed budget, LTAC request and estimated matching funds attached.

1C Project Timeline/Major Milestones

- A. January 2019 enter into Lodging Tax Contract with COBI
- B. Bainbridge Island Visitors Bureau – Develop and execute strategic 2019 plan in conjunction with BI Chamber of Commerce and Chris Mueller, Director of Visitor Development. Timeline January 1 – December 31, 2019.
- C. Membership Washington Tourism Alliance and Visit Seattle: Timeline: January 1 – December 31, 2019
- D. Membership dues and conferences required to maintain Historic Main Street status. Timeline January – December 31, 2019.
- E. Celebrate Bainbridge/July 3 Street Dance – Timeline: July 3, 2019.
- F. Holiday Promotions and Events: Timeline: November 15 – December 31, 2019.

Scalability: We've made every effort to provide reasonable budgets on every line item but if we need to scale back we will reduce expenditures proportionally as follows. We'll need to adjust events and projects with scaled back budgets.

- Delete membership for Washington Tourism Alliance (\$500)
- Delete Main Street Conference Expense (\$2,500)

- Lower contribution to Holiday Promotions (\$6,500)
-

2 Narrative Statement addressing each of the stated selection criteria, including anticipated outcomes

2A Expected impact on increased tourism in 2019

Through August 2018, the Chamber team has counted over 106,000 visitors/tourists at the ferry terminal kiosk and at their offices. The total for full year 2017 was 155,877. Visitors/tourists come from all 50 states, all Provinces of Canada and over 40 countries. Visit Seattle is projecting a 3.9% increase in 2018 overnight stays over 2017. There are 218 Cruise ship sailings planned for 2018. Over 3,000 new hotel rooms are under development in Seattle and the Convention Center has broken ground on its expansion. Increased tourism in Seattle will benefit Bainbridge Island.

2B Expected impact on or increase in overnight stays on the island.

BIDA, in partnership with the Chamber of Commerce (BICC), Destination Bainbridge (BILA) and the North Kitsap Tourism Coalition is working on promoting events, activities and itineraries which will increase overnight stays on Bainbridge, particularly in the off peak season of October – May.

2C Projected economic impact on Bainbridge Island businesses, facilities, events, lodging

Visit Seattle reported 29.9 million visitors in 2017, a 2.6% increase over 2016. Visitor expenditures spent \$7.4 Billion and 20.8 million visitors stayed overnight for an 84.2% occupancy. There were 76,062 jobs supported by tourism in 2017, an increase of 2.7% over 2016. Based on this and other research, we project a 2019 increase for Bainbridge Island of **2.5%**.

Visitors spend money directly for food, lodging, retail, transportation, arts, recreation and entertainment. Visitor expenditures create induced spending, whereby Bainbridge workers in turn spend money on goods and services.

2D The project's potential to draw visitors to the Island and increase overnight stays during the off season (October – May).

BIDA's primary destination marketing strategy is based on driving visitor, local and overnight demand to off peak periods (October – May). Chris Mueller's goals are tied strictly to the amount of business she is able to book during off peak periods and we are actively involved in developing and promoting events that occur during those months.

2E The applicant's demonstrated history of organizational and project success

BIDA has successfully represented the downtown merchants in promoting a vibrant Downtown since 1992 and the 1998 designation as a nationally accredited Historic Main Street provides a number of resources- including the B&O/PUT Tax Incentive Program which allows taxes to be retained in the community. Growing participation in all BIDA produced events allow additional marketing and promotion to draw visitors to the Island.

2F Describe any partnerships with other organizations in the proposed project, including efforts to minimize duplication and encourage cooperative marketing...

BIDA is proud to have many partnerships with Island organizations. The most important strategic development of Visit Bainbridge is a partnership between BIDA and the Chamber. LTAC funding enabled us to hire Chris Mueller who is producing solid results. We also partner and strategize with Destination Bainbridge (BILA) to assure that each organization is maximizing our reach without

overlapping. Our goal is to maximize the effectiveness of scarce LTAC funding and to expand our reach in Kitsap County and Seattle/King County. Visit Seattle, Destination Marketing organizations and the Seattle Concierge Guild are also key partners.

2G describe the degree to which the project goals and/or results can be objectively assessed.

Increased hotel/lodging occupancies can be measured by year over comparison of RevPar (revenue per available room) and lodging tax collections. Increase in business success can be measured by year over year sales tax collections and employment statistics. The Chamber also conducts a yearly 'count' of visitor traffic and we can rely on the Washington State Ferry statistics to keep us informed of both vehicle and foot traffic volumes by month.

2H describe the degree to which the project will leverage award funds with additional matching funds or donated in-kind goods or services.

Volunteer hours, staff project management, sponsorships and in-kind donations form the framework of BIDA's programs. We can document over 2,500+ yearly volunteer hours. When calculated at \$11.00 per hour, the leveraged amount totals \$27,500. In-kind of steeply discounted goods and services account for an additional \$15,000 each year. Since all BIDA events are free to the public, we rely heavily on cash sponsorships from companies like Virginia Mason, Kitsap Bank, Columbia Bank, John L. Scott Realtors, Cook Family Funeral Home, Puget Sound Energy and others to produce the annual event schedule.

ATTACHMENT B

INSURANCE REQUIREMENTS

A. Insurance Term

The Recipient shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Recipient, its agents, representatives, or employees.

B. No Limitation

The Recipient's maintenance of insurance as required by the Agreement shall not be construed to limit the liability of the Recipient to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

C. Minimum Scope of Insurance

The Recipient shall obtain insurance of the types and coverage described below:

1. Automobile Liability insurance covering all owned, non-owned, hired, and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage.
2. Commercial General Liability insurance shall be at least as broad as ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, stop-gap liability, independent contractors, and personal injury and advertising injury. The City shall be named as an additional insured under the Recipient's Commercial General Liability insurance policy with respect to the work performed for the City using an additional insured endorsement at least as broad as ISO CG 20 26.
3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
4. Directors and Officers Liability insurance coverage.

D. Minimum Amounts of Insurance

The Recipient shall maintain the following insurance limits:

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.
2. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate.

3. Directors and Officers Liability insurance shall be written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit.

E. Other Insurance Provision

The Recipient's Automobile Liability and Commercial General Liability insurance policies are to contain, or be endorsed to contain, that they shall be primary insurance as respect to the City. Any insurance, self-insurance, or self-insured pool coverage maintained by the City shall be excess of the Recipient's insurance and shall not contribute with it.

F. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

G. Verification of Coverage

Before commencing work and services, the Recipient shall provide to the person identified in Section 9 of the Agreement a Certificate of Insurance evidencing the required insurance. The Recipient shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Recipient before commencement of the work. The City reserves the right to request and receive a certified copy of all required insurance policies.

H. Notice of Cancellation

The Recipient shall provide the City with written notice of any policy cancellation within two (2) business days of their receipt of such notice.

I. Failure to Maintain Insurance

Failure on the part of the Recipient to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, after giving five (5) business days' notice to the Recipient to correct the breach, immediately terminate this Agreement or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand, or at the sole discretion of the City, offset against funds due the Recipient from the City.

J. City Full Availability of Recipient Limits

If the Recipient maintains higher insurance limits than the minimums shown above, the City shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by the Recipient, irrespective of whether such limits maintained by the Recipient are greater than those required by this Agreement or whether any certificate of insurance furnished to the City evidences limits of liability lower than those maintained by the Recipient.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

06/08/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Sears & Associates, Inc. 115 Hall Brothers Loop NW Suite 109 Bainbridge Island, WA 98110	CONTACT NAME: Paula Carpine PHONE (A/C, No, Ext): FAX (A/C, No):
	E-MAIL ADDRESS: paula@searsandassociates.com
INSURER(S) AFFORDING COVERAGE	
INSURER A : Travelers Indemnity Co Of Ct	NAIC # 25682
INSURER B :	
INSURER C :	
INSURER D :	
INSURER E :	
INSURER F :	

INSURED	INSURER B :
Bainbridge Island Downtown Association 120 Madrone Lane N, Suite 203 Bainbridge Island, WA 98110	INSURER C :
	INSURER D :
	INSURER E :
	INSURER F :

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Premises/Ops <input checked="" type="checkbox"/> Prod/Comp Ops GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	X		680308Y3187	05/21/2018	05/21/2019	EACH OCCURRENCE	\$ 2,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 300,000
							MED EXP (Any one person)	\$ 5,000
							PERSONAL & ADV INJURY	\$ 2,000,000
							GENERAL AGGREGATE	\$ 4,000,000
							PRODUCTS - COMP/OP AGG	\$ 4,000,000
							WA Stop Gap	\$ 1,000,000
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	\$
	<input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
								\$
	UMBRELLA LIAB						EACH OCCURRENCE	\$
	EXCESS LIAB						AGGREGATE	\$
	DED RETENTION \$							\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						PER STATUTE	OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y / N	N / A			E.L. EACH ACCIDENT	\$
							E.L. DISEASE - EA EMPLOYEE	\$
							E.L. DISEASE - POLICY LIMIT	\$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

RE: 2018 LTAC Agreement

Subject to policy conditions, endorsements and exclusions.

The City of Bainbridge Island, its officers, employees, and volunteers are included as additional insured as respects named insured's operations. Coverage is primary and non-contributory.

CERTIFICATE HOLDER

CANCELLATION

City of Bainbridge Island 280 Madison Ave. Bainbridge Island, WA 98110	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE 

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OTHER INSURANCE – ADDITIONAL INSURED

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

PROVISIONS

COMMERCIAL GENERAL LIABILITY CONDITIONS (Section IV), Paragraph 4. (**Other Insurance**), is amended as follows:

1. The following is added to Paragraph a. **Primary Insurance**:

However, if you specifically agree in a written contract or written agreement that the insurance provided to an additional insured under this Coverage Part must apply on a primary basis, or a primary and non-contributory basis, this insurance is primary to other insurance that is available to such additional insured which covers such additional insured as a named insured, and we will not share with that other insurance, provided that:

- a. The "bodily injury" or "property damage" for which coverage is sought occurs; and

- b. The "personal injury" or "advertising injury" for which coverage is sought arises out of an offense committed

subsequent to the signing and execution of that contract or agreement by you.

2. The first Subparagraph (2) of Paragraph b. **Excess Insurance** regarding any other primary insurance available to you is deleted.
3. The following is added to Paragraph b. **Excess Insurance**, as an additional subparagraph under Subparagraph (1):

That is available to the insured when the insured is added as an additional insured under any other policy, including any umbrella or excess policy.

POLICY NUMBER: 680-308Y3187-17-42

COMMERCIAL GENERAL LIABILITY
ISSUE DATE: 03/20/2018

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED-DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name of person or organization:

THE CITY OF BAINBRIDGE ISLAND

280 MADISON AVENUE N
BAINBRIDGE ISLAND WA 98110

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule as an insured but only with respect to liability arising out of your acts or omissions.