



## **CITY OF BAINBRIDGE ISLAND**

### **REQUEST FOR PROPOSALS 2022 LODGING TAX / TOURISM FUND (CIVIC IMPROVEMENT FUND)**

The City of Bainbridge Island is seeking proposals for projects to receive funding under the Civic Improvement Fund, which is established through Chapter 67.28 of the Revised Code of Washington (“RCW”) and Section 3.65.040 of the Bainbridge Island Municipal Code. Proposals must be for tourism marketing projects, marketing and operations of special events or festivals, the operation of eligible tourism-related facilities,<sup>1</sup> or capital expenses for an eligible tourism-related facility.<sup>2</sup>

In 2021, there are approximately \$350,000 in Civic Improvement funds (also known as Lodging Tax funds) available for distribution to support selected projects in 2022. The City Council has approved funding within a wide range, to encourage innovative projects of all sizes that recognize and promote the exciting – and expanding – tourism trends and opportunities happening on Bainbridge Island. Applicants may seek a minimum award of \$2,000 and a maximum award of \$175,000 (to reflect 50% of total available funds).

Funds must be used for: tourism marketing; marketing and operations of special events and festivals designed to attract tourists; operations and capital expenditures of tourism-related facilities owned or operated by a municipality or a public facilities district; or operations of tourism-related facilities owned or operated by nonprofit organizations. The City does not make multi-year commitments with Lodging Tax funds; however, service providers are not limited to nor are applicants prohibited from making repeat annual requests of a similar nature.

Successful applicants will be required to enter into a professional services agreement with the City to provide the services or products outlined in their proposals. Payment by the City will be made only when documentation of delivery of contracted services or products is provided to the City. The City will not provide payment in advance of delivery of goods or services.

All project activities must be identified in promotional and other business materials as having been funded by the City of Bainbridge Island Civic Improvement Fund.

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<sup>1</sup> To be eligible for *operating* expenses, the tourism-related facility must be owned or operated by a municipality, or a public facilities district, or a nonprofit recognized by the Internal Revenue Service under 26 U.S.C. Sec. 501(c)(3) or 26 U.S.C. Sec. 501(c)(6). See, RCW 67.28.1816.

<sup>2</sup> To be eligible for *capital* expenses, the tourism-related facility must be owned or operated by a municipality or a public facilities district. See, RCW 67.28.1816.

### ***Project and Applicant Eligibility***

- Applicants seeking funding for capital expenditures for a tourism-related facility must be a municipality or a public facilities district created under Chapters [35.57](#) and [36.100](#) RCW.
- Applicants seeking funding for operating expenditures for a tourism-related facility must be a municipality or a public facilities district, or be recognized by the Internal Revenue Service as a nonprofit under 26 U.S.C. Sec. 501(c)(3) or 26 U.S.C. Sec. 501(c)(6).
- Applicants, other than municipalities or a public facilities district, must be registered with the Washington Secretary of State as a Washington State Corporation.
- Individual persons are not eligible for funding.
- For-profit, private businesses are not eligible for funding.
- Proposals must comply with federal, state, and City of Bainbridge Island laws and requirements.
- Funding may be used for expenses incurred during January 1 – December 31, 2022. Funding requests for goods or services to be provided in 2021 or beyond calendar year 2022 will not be considered.
- Proposals from non-City organizations with a board member, officer, or staff member serving on the Lodging Tax Advisory Committee are not eligible for funding and will not be considered.
- Proposals involving special events, signs, building or construction, impacts to public property, or other activities that require permits under City code or state or federal law must demonstrate that the applicant has researched the appropriate permit regulations, confirmed the viability of the proposed activities, and incorporated permit fees in the project budget.

## ***Policy Background***

Bainbridge Island Municipal Code – [Section 3.65.040 Civic Improvement Fund](#)

[Revised Code of Washington \(RCW\) Chapter 67.28 RCW](#) – **PUBLIC STADIUM, CONVENTION, ARTS, AND TOURISM FACILITIES**

### ***Definition of Terms***

*(Per RCW 67.28.080)*

“Operation” includes, but is not limited to, operation, management, and marketing.

“Tourism” means economic activity resulting from tourists, which may include sales of overnight lodging, meals, tours, gifts, or souvenirs.

“Tourism promotion” means activities, operations, and expenditures designed to increase tourism, including but not limited to advertising, publicizing, or otherwise distributing information for the purpose of attracting and welcoming tourists; developing strategies to expand tourism; operating tourism promotion agencies; and funding the marketing of or the operation of special events and festivals designed to attract tourists.

“Tourism-related facility” means real or tangible personal property with a usable life of three or more years, or constructed with volunteer labor that is: (a)(i) Owned by a public entity; (ii) owned by a nonprofit organization described under section 501(c)(3) of the federal internal revenue code of 1986, as amended; or (iii) owned by a nonprofit organization described under section 501(c)(6) of the federal internal revenue code of 1986, as amended, a business organization, destination marketing organization, main street organization, lodging association, or chamber of commerce and (b) used to support tourism, performing arts, or to accommodate tourist activities.

## ***Application Requirements***

- Each proposal must **ADDRESS AND REFERENCE** the questions listed on the attached LTAC 2022 Proposal Form **IN THE ORDER IN WHICH THEY APPEAR**.
- Proposal must be presented in minimum 11-point font and may not exceed ten pages in total length (including the Cover Sheet).
- The City will only accept proposals in electronic format. **Proposals must be submitted as a single document that includes a Cover Sheet and any attachments, preferably using a pdf format.** Submit the proposal via email to:

[cityadmin@bainbridgewa.gov](mailto:cityadmin@bainbridgewa.gov)

- Proposals are due **no later than 4:00 pm, Thursday, September 30, 2021**. Late proposals will not be accepted. Applicants are solely responsible for ensuring that proposals are submitted and received on time.
- Each selected Service Provider (i.e., Lodging Tax funding recipient) will be required to submit to the City a final report on project results by Tuesday, February 28, 2023. **Per RCW 67.28.1816, and the reporting guidelines provided by the Washington State Joint Legislative Audit and Review Committee (JLARC), final reports must include the following information related to the activity:**

*The projected and actual data for each of the following categories:*

- a) Overall attendance for the activity;*
- b) The number of people who traveled more than 50 miles to attend the activity;*
- c) The number of people from outside the state or outside the country who attended the activity;*
- d) The number of people who attended the activity and paid for overnight lodging;*
- e) The number of people who attended the activity without paying for overnight lodging, and*
- (f) Total number of paid lodging nights (one lodging night = one or more persons occupying one room for one night).*

Additional information is available via JLARC's "[Instructions For Reporting Lodging Tax Expenditures](#)" document. See also the City's [Lodging Tax Advisory Committee](#) webpage to view JLARC data from prior years.

## ***Review Process***

### **Lodging Tax Advisory Committee (LTAC)**

To be appointed by the Council

<b>Kirsten Hytopoulos</b> , Chair	City Councilmember
<b>Joe Deets</b> , Vice-chair, non-voting	City Councilmember
<b>TBD</b>	Eligible lodging business representative
<b>TBD</b>	Eligible lodging business representative
<b>TBD</b>	Eligible recipient organization representative
<b>TBD</b>	Eligible recipient organization representative

Proposals will be provided to the City’s Lodging Tax Advisory Committee (LTAC) for review and comment. Applicants will have an opportunity to meet with the LTAC to provide additional information about their proposals, at a time and date to be identified by the committee. Applicant participation in this LTAC briefing is not mandatory but is strongly encouraged. The format for this briefing will be determined by the committee and applicants will be notified in advance of any particulars related to presentation materials, format, and time allowed.

All meetings of the LTAC will be open to the public, and advance notification of LTAC meetings will be provided by the City Clerk.

The LTAC will provide its recommendation for 2022 awards to the City Council for a final funding decision. The committee recommendation will include a list of candidate projects and recommended amounts of funding, which the City Council will consider for final approval.

## ***Selection Criteria***

The LTAC will use the following criteria in evaluating project proposals. Other relevant factors, such as availability of funds, may also guide the decision process.

### **Lodging Fund Project Evaluation – Basic Criteria**

- A. Encourages tourism from visitors traveling more than 50 miles and from visitors traveling from outside Washington State or outside the country.
- B. Expected impact on increase in overnight stays in paid accommodations on the island.
- C. Expected increase in tourism. Tourism means economic activity resulting from tourists, which may include sales of overnight lodging, meals, tours, gifts, or souvenirs.
- D. Potential to draw visitors to the Island and increase overnight stays during the off-season, October 1 until Memorial Day.
- E. Applicant's demonstrated history of organizational and project success, including but not limited to previous LTAC-funded projects.
- F. Project reflects partnerships with other organizations and businesses, to encourage cooperative tourism marketing and minimize duplication of services.
- G. Project reflects innovative use of LTAC funds.
- H. Proposals for events that will generate an expected increase in tourism are encouraged.
- I. Proposals for capital projects are encouraged.
- J. Project goals and/or results can be objectively assessed.
- K. Project will leverage award funds with additional matching funds or donated in-kind goods or services.
- L. Proposals for projects that lead to tourism approached with an intent towards reducing carbon emissions, such as reducing the need for fossil fuels or parking, are encouraged.

CITY OF BAINBRIDGE ISLAND

**2022 LODGING/TOURISM FUND PROPOSAL  
COVER SHEET**

Project Name:

Name of Applicant Organization and Amount Requested:

Amount

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

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

Primary Contact:

Mailing Address:

Email(s): \_\_\_\_\_

Day phone: \_\_\_\_\_ Cell phone: \_\_\_\_\_

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

<b>v</b>	<b>Project Type</b>
<input 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:

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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.

*Alternate question for event or facility funding:*

Describe the event or facility proposed including its purpose, history, and budget. Include past attendance history, if applicable, and estimate the number of tourists drawn to the event or facility/year. Please estimate total attendance and the number of tourists estimated to attend for 2022. How has the activity been promoted in the past (if applicable) and what promotion is planned for 2022?

2. If appropriate, please identify any project partners and briefly describe the involvement of each. Please note that the maximum award of \$175,000 will apply to any single project, even if proposed by a team of 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 (2017-2021).
4. If any previous projects by the applicant were funded through the Lodging Tax (Civic Improvement) Fund and were not completed and/or if reports were not submitted to the City as requested, please explain:



## LODGING/TOURISM FUND APPLICATION

### Project Information

#### 1. Describe the proposed project.

- a. **Scope:** Identify the Project's main objectives and how each will be achieved. Be as specific as possible about the proposed services, measurable impacts, distribution method, and costs.
- b. **Budget:** Include a detailed budget for the proposed project with itemized 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.
- c. **Schedule:** Provide a project timeline that identifies major milestones.

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.

#### 2. Provide a brief narrative statement to address each of the selection criteria:

- a. Expected impact on increased tourism in 2022. Please provide specific estimates of how the project will impact the number of people traveling fifty miles or more to Bainbridge Island for the activity, or who will travel from another country or state outside of Washington State to attend the activity. If appropriate, compare/contrast this impact to the actual or estimated number of tourists at your event/facility in 2020 and estimates for 2021.
- 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 Island lodging establishments in 2022 as a result of the proposed activities. Please include the basis for any estimates.
- 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).
- 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.
- e. The applicant's demonstrated history of organizational and project success.
- 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.
- g. Describe how this project is new to our community or reflects an innovative use of LTAC funds.
- h. Expected draw for the proposed event, in particular how it will both generate an expected increase in tourism and appeal to the community.
- i. If for a capital project, detail the project's expected impact on increased tourism.

- j. Describe the degree to which the project goals and/or results can be objectively assessed.
- k. Describe the degree to which the project will leverage award funds with additional matching funds or donated in-kind goods or services.
- l. Describe how this proposal will support tourism approached with an intent towards reducing carbon emissions.

**3.**

**LODGING/TOURISM FUND APPLICATION**

**Supporting Documentation**

1. Provide your organization's 2020 income/expense summary.
2. Provide your organization's 2021 budget and an estimate of actual 2021 revenue and expenses.
3. Letters of Partnership – Include letters from any partnering organizations committing to joint sponsorship of the application and specifying their intended activities.