CITY OF FERNDALE
LODGING TAX ADVISORY COMMITTEE
ALLOCATION PROCESS
APPLICATION

INTRODUCTION

The objective of the City of Ferndale Lodging Tax Advisory Committee Process is to support projects, which encourage eligible tourism and cultural activities and support tourism facilities in Ferndale. Eligibility of applications and projects is defined broadly to encourage wide participation and innovative proposals. The source of the funds is the City's share of lodging tax collected on overnight stays within the City of Ferndale.

The general application period shall be open on June 6th through August 3rd. At the request of the City Council, or at the Lodging Tax Advisory Committee's own discretion, grant applications may be considered at other times of the year. However, because of the City's budget cycle and because of the Committee's preference to review grant applications simultaneously and comparatively, the likelihood of gaining approval outside of the primary application period is diminished.

PROJECT ELIGIBILITY

Legislation provides authority for cities and counties to adopt a lodging tax of up to four percent. The City of Ferndale currently collects the maximum allowed by the law. The law allows the use of lodging tax revenues in either of two broad categories: tourism promotion or tourism-related facilities.

1."**Tourism promotion**" is defined as activities 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 marketing of special events and festivals designed to attract tourists.

2. "**Tourism-related facility**" means real or tangible personal property with a usable life of three or more years, or constructed with volunteer labor, and used to support tourism, performing arts, or to accommodate tourist activities

APPLICATION REQUIREMENTS

To be considered, applications must be complete, adhere to the specified format, and be submitted with of all components.

*1. **ELIGIBILITY***

Each applicant will be required to concisely define the service to be provided through the proposed project and demonstrate how it will do so. Essential to this process will be establishing that the project, if funded, will be in compliance with state statutes governing the use of Lodging Tax revenues.

*2. **SCOPE OF WORK***

The applicant will be required to submit a scope of work that breaks down the overall project into a progression of logical steps.

*3. **TIME LINE***

The elements and the scope of work must be keyed to milestones indicating when each will be undertaken and/or completed.

4. ***BUDGET***
The project budget will include both the revenue and expense categories; all income (including in-kind) will be broken out by amount and source, and expenses will be itemized as well. A cash flow projection for the calendar year showing cash needs by quarter must be provided.

5. ***REIMBURSEMENT***
The applicant must understand that the City's support for funded projects is on a reimbursement basis; i.e., no funds can be advanced in support of a project. Grantees must first incur costs and then bill the City for reimbursement under contract guidelines.

6. ***FINAL REPORT/PERCENTAGE WITHHELD***
Payment for twenty percent (20%) of the total reimbursable costs for any funds due the grantee will be withheld until a final written report is received by the City Clerk and the grantee presents an oral report to the City Council. NOTE: Under new Guidelines (2008) established by the State Legislature and CTED, a report documenting the actual number of tourists and overnight stays generated by the event must be included.

7. ***HISTORY***
Provide a brief history of your program/organization.

SELECTION PROCESS
When the application solicitation period opens, the City Clerk will inform interested applicants of the funding process and its eligibility criteria. When the solicitation period closes, qualifying applications will then be forwarded to the Lodging Tax Advisory Committee for review. The Lodging Tax Advisory Committee will recommend to the Council projects/events to be funded and at what level.

The Council will make the final decision on project/event approval and funding levels. After the applicants and the City have signed the contracts, the project/event can proceed.

It is very important that applicants are aware that only after the following steps are complete is a project grantee authorized to incur reimbursable costs.
1. All contracts are reimbursement based; i.e., the grantee must expend funds on approved items and then seek reimbursement under terms of the governing contract;
2. No costs incurred prior to the City's signing of a contract for an approved project will be reimbursed;
3. The project approval process involves three steps:
    a. Advisory committee recommendation;
    b. The Council's approval of proposal, and
    c. The execution of the contract by the City's authorized signatory.

The City of Ferndale does not discriminate on the basis of race, religion, color, sex, national origin, marital status, familial status, age, sexual orientation and disability in employment or the provision of services.

LODGING TAX ADVISORY COMMITTEE ALLOCATION
EVALUATION CRITERIA

The criteria listed below constitute the standards by which applications for funding from the Lodging Tax Fund are judged. In some cases, by their nature, some applicant events, activities, programs, organizations and facilities will not be able to meet all criteria. However, the more criteria met, the stronger the application.

1. COMMUNITY ECONOMIC IMPACT

Potential positive economic impact of tourism on the community is a significant benefit that can be measured. In its most fundamental effect, tourism impacts the community's economy through the dollars brought to and spent in the City of Ferndale. Overnight stays generate more revenue than day visits. The total impact can be measured in terms of direct dollar expenditures made by the visitors themselves and indirect dollar expenditures made as the money moves through the community. In evaluating applications in this area, more weight will be given to the former since it is more readily measurable.

In assessing the probable economic impact of the proposal, the Committee will consider:

a. The estimated number of visits to be generated;
b. The estimated number of overnight stays to be generated;
c. The duration of the event, activity or program;
d. The event's generation of economic activities during off-peak tourism seasons or periods;
e. The use of local firms and resources in the proposed event, activity, program or facility; and
f. New or first time events or activities.

2. RESOURCES AVAILABLE FOR EVENT OR FACILITY

The applicant should identify other community capital and/or labor sources to ensure project success. Multiple-year funding of projects will be considered, but it is more difficult to obtain. Seed money that will help establish the activity, program, event, organization, or facility which will later function successfully on its own are preferred.

3. BUILDS ON IDENTIFIED COMMUNITY ASSETS/TOURISM PROMOTION

Community assets include natural amenities, public facilities, festivals, events and activities that distinguish Ferndale in the region, state and nation. Those things both help constitute and promote the City's positive image.

The Committee will consider the proposal's effect in such areas as promotion, outdoor recreation, and heightening awareness of the area's history and/or natural amenities.

4. MEETS COMMUNITY OBJECTIVES

Events, projects, activities, and facilities that also serve the broader community will be given preference.

The Committee will assess whether the proposal furthers the success of and coordinates with scheduled community events, facilities, and community (promotion and marketing efforts.)

5. MEETS THE REQUIREMENTS OF THE HOTEL/MOTEL TAX LAW

If you have questions about whether your proposal meets the requirements of the hotel/motel tax law, please contact the City of Ferndale Communications Officer at (360) 685-2353.

CITY OF FERNDALE
APPLICATION FOR
LODGING AND TAX FUND MONIES
2095 Main Street – P.O. Box 936
Ferndale, WA 98248

1. PROJECT APPLICATION **DEADLINE AUGUST 3rd, 2018**

Project Title: _____

Type of Project: ☐ Promotion activities (Marketing/Advertising) ☐ Facility
☐ Operation of Special Event/Festival/Activity (non-City owned/run)
☐ Operation/Capital Expenditure of City-owned facilities

Applicant: _____

Phone: _____ E-mail _____

Address: _____

City: _____ State: _____ Zip: _____

Applicants are: □ Non-profit □ Public Agency □ For Profit

Contact Person (if different that applicant): _____

Phone: _____ E-mail _____

Address: _____

City: _____ State: _____ Zip: _____

Amount requested: _____ Applicant's match: _____

Total project budget: _____

To be considered, an application must be complete, adhere to the specified format, and be submitted with all components. Do not staple application documents. Use binder clips.

2. PROJECT SUMMARY

In the space below, provide a 2-3 paragraph, concise summary of your request and what it will accomplish. If your request is part of a larger project, you may briefly describe the over-all project. However, please focus the bulk of your answer on the specific element for which you are requesting funding.

3. PROJECT BUDGET

Please list how the funds will be used.

4. ATTACHMENTS

If you have not received funds from the City of Ferndale before, please provide the following information as attachments.

A. NON-PROFITS

1. Copy of state certificate of non-profit incorporation and/or federal copy of 501(c)(3);

B. COOPERATIVE PROJECTS

1. Describe reasons for and benefits of cooperative approach;
2. List co-sponsors by title and type;
3. Describe individual project responsibilities of co-sponsors.

C. FOR-PROFITS

1. Copy current/valid Ferndale Business License;
2. IRS Employer Tax I.D. number;
3. Mission statement and brief biography of the firm's principals;
4. Most recent fiscal year balance sheet.

*New State Requirements 2013:

Pursuant to ESHB 1253, applicants applying for lodging tax revenues must provide the City of Ferndale estimates of how any moneys received will result in increases in the number of people traveling for business or pleasure on a trip:

1) Away from their place of residence or business and staying overnight in paid accommodations;

Estimate: _____

2) To a place 50 miles or more one way from their place of residence or business for the day or staying overnight; or

Estimate: _____

3) From another country or state outside of their place of residence or their business.

Estimate: _____

Note: Applicants awarded a Hotel-Motel Tax Grant from the City of Ferndale will be required to submit a report no later than December 31 of the year the grant is received describing the actual number of people traveling for business or pleasure on a trip:

1) Away from their place of residence or business and staying overnight in paid accommodations;
2) To a place 50 miles or more one way from their place of residence or business for the day or staying overnight; or
3) From another country or state outside of their place of residence or their business.

The City is required to make this information available to the City Council and public; and furnish copies of the report to the state Legislature as well as the City of Ferndale Lodging Tax Advisory Committee.

By submitting and signing this application, you and your group are acknowledging that you will abide by these legal requirements.

Failure of an applicant to submit this state-law-required report may result in no longer being able to receive future Hotel-Motel Tax grants from the City.