



## City of White Salmon Office of City Hall

### Lodging Tax Grant Program 2023 GRANT PROGRAM GUIDELINES

#### Goal

To invest in facilities, events and activities that increase overnight and day-visitors to the City of White Salmon and result in increased tourism-related revenues.

#### Background

RCW 67.28.180 allows municipalities to impose up to a 4% lodging tax on stays of less than 30 days at hotels, motels, bed & breakfasts, campgrounds and RV Parks. This also includes short-term rentals. The City of White Salmon has implemented the first 2% portion of the authorized 4% lodging tax.

#### State Requirements

Authorized uses for lodging taxes are:

- Tourism marketing including operation of a destination marketing organization (DMO)
- Marketing and operation of special events and festival designed to attract tourists
- Operations and capital expenditures of tourism-related facilities owned or operated by a municipality or by a public facilities district
- Operations of tourism-related facilities owned or operated by non-profit organizations

Program requirements include:

- Organizations eligible to receive funds are municipalities, destination marketing organizations, or non-profit organizations (which include main street organizations, lodging associations and chamber of commerce).
- All applicants, including municipalities, must follow the same applicant process.

#### City Grant Guidelines

- Organizations may submit more than one application each year but there must be a separate application form for each project/activity.
- Matching funds are not required but are encouraged as a sign of community support and organization commitment.
- Grants must be for a minimum of \$2,500. Total grant funding available for program in 2023 is \$78,000.
- Special events/festivals, capital projects or facilities requesting operating funds must be located inside the City limits.
- Special events/festivals:
  - Must be sponsored by a non-profit or the City

- Grants funds can be used for operational expenses, including marketing and promotion with the exception of salaries and/or benefits for event organizers or other key staff, insurance and travel. Funds may be used for security staff, traffic control, etc.;
- Funds are available beginning in February of each year and must be spent within the calendar year.
- For existing special events – in operation for more than three years – proposals must be for expansion or enhancement for the event and those expansions and/or enhancements must be clearly defined and measurable.
- All advertising must acknowledge the City of White Salmon as sponsor.

### **Criteria for Grant Awards**

Priority will be given to lodging tax grant proposals that:

- Demonstrate potential to result in overnight stays by tourists in lodging facilities within the City of White Salmon or to attract day visitors from outside Klickitat County.
- Provide, maintain, operate or enhance City-owned tourist related facilities or infrastructure.
- Promote the City of White Salmon and/or events, activities and places in the city to potential tourists from outside the region.
- Have a demonstrated potential to result in economic benefit to White Salmon. Successful proposals will show specific strategies to draw visitors.
- Provide funds from sources other than lodging tax funding.
- Are sponsored by an organization that has a successful track record with similar projects or events.

Applicants will be invited to give a five (5) minute presentation on their proposal to the Lodging Tax Advisory Committee, who makes grant funding recommendations to the City Council. The Lodging Tax Advisory Committee will meet in October.

### **Reporting**

All lodging tax fund recipients must submit a report to the City describing the results of the project program or event. For events/festivals, report must be submitted within 90-days after the event. For all other project or facilities, the report is submitted annual, due by January 31<sup>st</sup> of the year following the funding year. Per state requirements, the report must include the following information:

- The number of people attending the event or visiting the facility;
- The number of people attending the event or visiting the facility who stayed overnight in paid accommodations;
- For day visitors, the number of people attending the event or visiting the facility who came fifty (50) miles or more, one-way, from their residence or business; or
- The number of people attending the event or visiting the facility who came from another country or state outside of their place of residence or business;

- An explanation of how attendance figures were calculated.

### **Contracting Requirements**

Organizations receiving lodging tax funds, with the exception of the City itself, are required to enter into an agreement with the City of White Salmon.

- Funding is provided on a reimbursable basis and copies of receipts must be included with the reimbursement request. Expenses that are not in accordance with the approved scope of work and agreement will not be eligible for reimbursement.
- Reimbursements will be made within approximately 30-days of submittal of request and receipts.
- Costs incurred prior to the grants being approved by the City Council and the execution of the agreement are not eligible for reimbursement.
- The applicant must have liability insurance, in an amount commensurate with the risk exposure of the project, and which names the City of White Salmon as an additional insured.
- Funds awarded for year-round operations of a program or facility will be dispersed quarterly.

### **Timeline**

August 26	Lodging tax grant applications are available
September 30	Lodging tax grant applications are due
October	Lodging Tax Advisory Committee review of applications
November 16	City Council approval of grants
February 2023	Funding is available

### **Definitions**

“Capital Improvements” can include wayfinding and other signage, restrooms, and transportation options.

“Municipality” means any county, city or town in the state of Washington.

“Special event/festival operations” can include any expenses associated with the operation of the event or festival with the exception of staffing expenses (salaries, benefits, travel, etc.) or insurance.

“Tourist” is defined by RCW 67.28 as people who travel more than 50 miles, one way, from their place of residence or business for the day or who stay overnight in paid accommodations.

“Tourism” means economic activity resulting from people visiting the community and includes sales of overnight lodging, meals, tours, gifts or souvenirs.

“Tourism Marketing/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 operation of special events and festival designed to attract tourists.

“Tourism-Related Facility” is real or tangible personal property with a usable life of three or more years that is 1) owned by a public entity or non-profit organization including a non-profit business organization, DMO, main street organization, lodging association or chamber of commerce; and 2) is used to support tourism or performing arts or to accommodate tourist activities.