



City of Oak Harbor 2018 Lodging Tax/ Tourism Promotion

INSTRUCTIONS & PROCEDURES

I. Purpose of the 2018 Lodging Tax/ Tourism Promotion Grant Program

The purpose of the City of Oak Harbor's Tourism Promotion Fund Allocation Process is to promote eligible tourism activities within the City of Oak Harbor. Eligibility is defined broadly to encourage wide participation and innovative proposals. The source of the funds is the City's share of sales taxes collected on overnight stays within the City of Oak Harbor (lodging tax) as well as an additional Lodging Tax as authorized under State statutes. Recommendations on use of the funds are developed by the Lodging Tax Advisory Committee (LTAC) and are referred to the Oak Harbor City Council for approval.

The desired outcome of activities funded with lodging tax revenue is to increase economic activity in the City of Oak Harbor resulting from tourists.

II. Description of the Lodging Tax Advisory Committee

The City of Oak Harbor created a Lodging Tax Advisory Committee (LTAC) per OHMC 2.66.010 to serve the functions as prescribed by RCW 67.28.1817.

The Lodging Tax Advisory Committee (LTAC) reviews and comments on proposals for expenditures from the City's Lodging Tax Fund. The LTAC meet to review Lodging Tax/ Tourism Promotion Applications or any other changes to the City's lodging tax. The LTAC submits recommended awards to City Council for review and approval.

The Oak Harbor LTAC consists of 7 voting members, which includes three collectors of the tax imposed (hotel/motel representatives), three individuals who may be eligible to receive revenue received from the taxes collected, and a Councilmember who serves as the Chair. **Board Members:**

- | | |
|------------------------------------------------------------------|---------------------------------------------------------------------------------|
| 1) Joel Servatius, Councilmember & Chair | 5) Jackie Huerta, Auld Holland Inn, Collector 2 |
| 2) Kristen Keltz, Candlewood Suites, Collector 1 | 6) Margaret Livermore, OH Music Festival & Main Street Association, Recipient 3 |
| 3) Larry Munns, Yacht Club and Race Week, Recipient 1 | 7) Amanda Zimmerman, Best Western Plus, Collector 3 |
| 4) Jason McFadyen, Chamber of Commerce Board Member, Recipient 2 | |

III. Eligibility

Eligible Activities. This grant program is limited to promotional activities which draw tourists, as defined below per RCW 67.28.080, to the municipal boundaries of the City of Oak Harbor. All events must be open to the public.

- "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.

Type of Organization. The entity of the organization (e.g. nonprofit, for profit) is irrelevant for award of lodging tax funds.

Allowable Uses of Funds. Allowable uses for the lodging tax funds are governed by RCW 67.28.1816. Lodging tax revenues under this chapter may be used, directly by any municipality or indirectly through a convention and visitor’s bureau or destination marketing organization for:

- a) Tourism marketing;
- b) The marketing and operations of special events and festivals designed to attract tourists;
- c) Supporting the operations and capital expenditures of tourism-related facilities owned or operated by a municipality or a public facilities district created under chapters 35.57 and 36.100 RCW; or
- d) Supporting the operations of tourism-related facilities owned or operated by nonprofit organizations described under 26 U.S.C. Sec. 501 (c) (3) and 26 U.S.C. Sec. 501(c)(6) of the internal revenue code of 1986, as amended.

The City of Oak Harbor does not discriminate on the basis of race, national origin, or citizenship; religion or creed; physical or mental disability; sex/gender, sexual orientation, gender identity, marital or familial status; age; military status, political or union affiliation; or involvement in prior complaints of discrimination or harassment.

IV. Application Process

Application Period. Lodging Tax/ Tourism Promotion Applications will be accepted from September 6, 2017 through October 6, 2017

Deadline. Applications must be received by the Finance Office by **4:30 p.m. on Friday, October 6, 2017**, postmarked no later than October 6, 2017.

Submission. Applications may be submitted by mail or hand-delivered to the Utilities Office, Attn: Finance. **Emailed or faxed applications will NOT be accepted. In addition, please e-mail the packet for ease of assembly for the LTAC meetings, if possible.** Only one (1) application packet per Applicant is required to be submitted. Mail or deliver Applications to:

City of Oak Harbor
Attn: Finance
865 SE Barrington Drive
Oak Harbor, WA 98277

Questions? Call 360-279-4535 or email wnticher@oakharbor.org

V. Project Evaluation for the 2018 Lodging Tax/ Tourism Promotion Application

Complete Applications. Incomplete Applications will not be accepted. Any question or section that is incomplete or unanswered on the Application will not be accepted.

Section 1 – Applicant Information: This section must be completely filled out and signed.

Section 2 – Project Questionnaire: The Grading Sheet will apply to the nine (9) responses using the form provided by the Applicant. Note that the Grading Sheet only applies to Section 2 of the Application. You may obtain a copy of the Grading Sheet from the website.

Section 3 – Project Budget: The Applicant must attach the requested budget documentation in sections 1 – 4. The provided documentation must be provided in the order requested in the application.

Section 4 – Projected Attendance: If applicable, the Applicant must provide an estimated attendance for the proposed project. Note that the last segment in Section 4 (the seven (7) questions) are informational only at this point. Any Recipient awarded Lodging Tax Funds is required to complete these seven questions under RCW 67.28.1816 following the funded project event.

VI. Application Checklist

- Section 1**
 - √ Complete all questions
 - √ Sign and date
- Section 2**
 - √ Complete all questions
 - √ Attach 9 responses
 - √ Limit 200 words/question
 - √ The 9 responses clearly reflect the relevant question
- Section 3**
 - √ Complete all questions
 - √ Attach all budget, financial source, and partnership documents
 - √ Requested documents in this section should be submitted in the order requested in the Application
- Section 4**
 - √ Estimate the total number of attendees for the 2018 project

VII. Selection of Applicants and City Council Approval

Application Review. Once all applications are received, City staff will review the applications for completeness. The LTAC will review only complete applications.

LTAC Special Meetings. The LTAC will schedule special open public meetings to discuss the applications and conduct business. The Applicants and any other member of the public may attend these meetings. These meetings will take place in October and November 2017. While Applicants may attend these meetings, they are not permitted to participate unless authorized by a majority of the LTAC Members.

Noticing of Meetings. Notice of LTAC meetings will be provided to the Applicants. Be aware that notices will be sent via email using the email address listed in the application.

Presentations. The LTAC may ask that Applicants provide presentations of the proposed project during one of the scheduled special meetings. If presentations are requested, Applicants will be contacted to schedule presentations by a member of City staff. Be aware that scheduling will be conducted through email, using the email address provided in the application. Applicants who fail to schedule presentations due to inattentiveness to emails from City staff does not allow them to reschedule.

LTAC Recommendations to City Council. Once the LTAC determines lodging tax awards, City staff will incorporate their recommendations into a Resolution and present it before Council for review. The Oak Harbor City Council must accept the LTAC recommendations in order to finalize the lodging tax award process.

Notice of Council Meeting to Review LTAC Recommendations. The Finance Office will inform the Applicants of the LTAC recommendations and provide them with email notice of the Council Meeting scheduled to review the recommendations. The Council Meeting scheduled to review recommendations will likely take place in November -December 2017.

VIII. Contract Requirements for Recipients

Contract Awarded. Each Applicant who is awarded funds must execute a Contract with the City of Oak Harbor *before* they are authorized to incur reimbursable costs. Please review a copy of the Contract with standard requirements that must be adhered to for all lodging tax fund Recipients.

Reimbursement. The funds awarded will be provided to the Recipient on a reimbursement basis, see page 7 of the Contract for details. Please note that the Recipient is required to provide proof of payment of the invoice/ "Exhibit C" submitted for reimbursement. Reimbursement guidelines must be strictly enforced by City staff.

Eligible Expenses Clarification. An eligible publication may distribute within the 50 mile boundary as long as they also distribute outside of this boundary.

Equal Opportunity. The City requires each contractor to provide equal opportunities for women and minorities as employees, Applicants for employment, and as clients/customers. No unlawful discrimination is allowed.