



LODGING TAX FACILITIES GRANT PROGRAM

I. DESCRIPTION

The City of Airway Heights has established a tourism facilities program, funded by a portion of the revenue collected under the state Lodging Tax excise statutes.

The purpose of this posting is to seek proposal from qualified entities interested in:

- 1) Funding single project proposals concerned with acquiring, improving or developing facilities for enhancing the tourism experience; AND/OR
- 2) Matching grants for operating tourism facilities that enhance the tourism experience AND/OR
- 3) Matching grants for events that draw tourists AND/OR
- 4) Projects that carry out the tourism-related goals of the City of Airway Heights LTAC Master Plan.

II. APPLICANT QUALIFICATIONS FOR GRANTS

Amendments to the Lodging Tax program adopted by the Washington Legislature in 2013 permit Lodging Tax grant funds to be used directly by Municipalities (the City), nonprofit organizations described under U.S.C. Sec. 501 (c)(3) and 501(c)(4), or indirectly by visitors bureaus or destination marketing organizations for the following purposes:

- 1) Tourism marketing.
- 2) The marketing and operations of special events and festivals designed to attract tourists.
- 3) Supporting the operations and capital expenditures of tourism-related facilities owned or operated by the City of Airway Heights.
- 4) Supporting the operations of tourism-related facilities owned or operated by qualifying (see above) nonprofit organizations.

Note: The 2013 Amendment requires applicants to provide specific estimates of how funds received will result in increases in the number of people traveling more than 50 miles and staying in paid lodging. At the end of the grant period, the legislation requires grantees to report on their success in attracting those visitors.

III. PROJECT DESCRIPTION

The expected outcome of the funded activities is to increase economic activity in the City of Airway Heights and beyond through the overnight lodging of tourists, through tourism-related expenditures, and construction of tourism-related facilities.

Program categories are:

- Tourism facilities capital program (City owned or operated facilities only):
 - ✓ Construction
 - ✓ Improvement
 - ✓ Renovation
- Matching grants for the operation and operations of Tourism Events and Festivals designed to attract tourists.
- Matching Grants for operation of existing eligible tourism-related facilities that meet the criteria of this RFP and the long range tourism plan (including, but not limited to historic museums, performing arts, visual arts).
- Special Investments that help to accomplish the goals and objectives of the LTAC Master Plan.

IV. AREAS OF EMPHASIS

Funded projects will be expected to achieve the following objectives:

Promoting tourism that typifies the “best of Airway Heights” – its history, the connection to Fairchild Air Force Base, Spokane International Airport, the historical significance to the region’s native American Tribes, the area’s geology, outdoor activities, culture and arts.

Strategies Include

- Amplify the “voice of the visitor” in the civic dialogue on downtown/highway corridor street scene concerns and partner organizations on the corridor beautification initiative.
- Supporting public art projects that enhance the experience of the visitor and highlight historical or cultural significance of the area.
- Supporting and encouraging outdoor recreation as a prime community asset and tourism draw.
- Identify and encourage development of new products, services and infrastructure that attracts and serves visitors.
- Support the development of marketing and other tools that facilitate tourist’s exploration of the area.

Note: The category of enhancing the tourism experience is based on the increasing recognition that the tourist is purchasing “Experiences”. The concept is to encourage facilities, events and tourism facility operations that heighten, expand, improve, or lengthen the tourism experience with the idea of encouraging longer stays and more frequent returns.

All applications will be received by the LTAC Committee to determine whether they meet the minimum eligibility requirements. Applications that do not meet minimum eligibility requirements will not be evaluated. Those applications that do meet the eligibility requirements will be evaluated by the LTAC which will make recommendations to the City Council. Applicants that meet the selection criteria will have an opportunity to make a presentation to the LTAC during the evaluation process. The City Council, at its discretion, may invite applicants to make a presentation prior to making its decision.

Note: Payment cannot be made prior to presentation of receipts and a completed Request for Reimbursement Form. Proposals that include payments prior to delivery and submitted documentation of service will be deemed ineligible.

VI. ELIGIBILITY

A. Proponent Eligibility

Applications may be submitted by any qualified non-profit entity, any City of Airway Heights agency, or any group of eligible organizations (please review legal requirements set out by the state in RCW 67.28 as revised – effective July 1, 2013).

B. Project Eligibility

State Requirements – The most basic eligibility requirement is that the applicants demonstrate clearly and convincingly that funding of the proposed project would be used in compliance with the State Law, which governs the use of hotel-motel funds. Chapter 67.29, RCW provides authority for cities to adopt a lodging tax on lodging charges made by hotels, motels, rooming houses, tourist courts, trailer camps or any similar charges for a license to use real property. Eligibility will also be measured against any relevant Attorney General or State Auditor opinions.

City Requirements – The City uses tax revenue each year for grants that will clearly meet the State’s requirements as updated in 2013 by HB 1253, (the new RCW 67.28.1816(2)(q)) and falls within the purposes set out in the LTAC Master Plan.

In addition, the City has established the following eligibility requirements for all projects:

- ✓ The project must be entirely within the corporate limits of the City of Airway Heights.
- ✓ The project must be specifically related to tourism in Airway Heights and prominently mention the City of Airway Heights in all printed materials;
- ✓ The project must be designed for the purpose of attracting visitors to the City;
- ✓ Project costs can not be paid in advance with grant money; that is, the sponsor must expend its own funds on approved items and seek reimbursement from the City. The City will review reimbursements and monitor for compliance;

- ✓ Project costs incurred prior to both the grant approval and execution of a written contract with the City will not be reimbursed;
- ✓ Funding may be requested for expenditures in only one year's budget of an event/festival project. A facility, operations or special investment project may be proposed for one or more years; however RCW 67.28 does not permit the funding of capital expenditures on non-publicly owned facilities. City approval will be, in part, contingent on prior successful performance and meeting of project goals in other projects. Applications that seek the "risk" of multiple years' investment must sell the "reward" that would not be achieved with single year appropriations. Keep in mind that the stability in the funding of your organization is not the same as the stability of the lodging tax fund.
- ✓ If the project involves co-sponsors, a written commitment must be submitted from each co-sponsor, signed by a person with authority to obligate that sponsor;
- ✓ Every project must have one designated individual to act as a contact for the project throughout the duration of the project and that person must have authority to obligate all sponsoring parties.
- ✓ If the applicant is a non-profit corporation, a copy of the IRS 501(c)(3) or (c)(6) recognizing that status must be provided;
- ✓ All applicants must provide financial statements accounting for the use of grant funds.

VII. APPLICATIONS

Each applicant is to develop and outline one project which meets these requirements and provides an economic benefit to the City of Airway Heights. The specific amount of the applicant's proposal is open, to be defined by the applicant.

Applications are available at City Hall, located at 1208 S. Lundstrom St, Airway Heights WA 99001. Applications are also available on the City website at www.cawh.org.

LTAC encourages applicants to submit applications electronically (as PDF, word processing or other generally readable files). Completed paper applications will be accepted and processed by the following schedule:

- Advertisement & RFP: LTAC accepts applications on an ongoing basis. Applications must be submitted at least six (6) months prior to the event or date funding is needed.

- It is the responsibility of the applicant to verify that each application – however it was transmitted – has been received.
- Review of Applications/Presentations to LTAC as needed (tentative applicants will be contacted by LTAC to schedule appearance).
- Final LTAC Funding Recommendations to City Council: As needed.
- Council Deliberations: As needed.

VIII. MONITORING

All funded projects will be monitored for progress and consistency with the scope and timeline of the project, as outlined in the application. All requests for reimbursement for approved costs shall be in writing and shall have supporting documentation to verify the expenditure of the funds included in the request. All requests shall be verified as complete and accurate by the project sponsor.

Recipients must file required progress reports in a timely manner. The State Legislature placed requirements on reporting, including a requirement to quantify how many individuals were attracted from more than fifty miles away and spent the night in paid lodging, and the reporting of expenditures and activities shall meet those requirements.

In the event the sponsor of any approved project fails to perform under the terms of the project approval the City Council has the right to suspend or terminate funding for the remainder of the project. However, the City Council will notify the sponsor of the apparent failure and give an opportunity to address the Council.

IX. REIMBURSEMENT FUNDING

Funds available under this program are revenues received by the City of Airway Heights from the Transient Rental Income Section of Washington State Excise Tax levied on the lodging industry. LTAC, appointed by the City Council, is the advisory body for these funds.

Generally, reimbursements will be made to the applicant within approximately thirty (30) days of submittal of invoices. The applicant is responsible for all incurred financial obligations (i.e., applicant pays vendors, City pays applicant). Applicants are required to maintain original receipts and financial records relative to funds awarded per Washington State requirements. Applicant's are liable for funds not used in accordance with the award.