



## **CITY OF SHELTON LODGING TAX ADVISORY COMMITTEE EVALUATION CRITERIA & ALLOCATION PROCESS**

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 Shelton. 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.
- 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.

### **3. BUILDS ON IDENTIFIED COMMUNITY ASSETS**

Community assets include natural amenities, public facilities, festivals, events and activities that distinguish Shelton 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 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 Shelton Confidential Administrative Assistant at (360) 432-5103.

## **ALLOCATION PROCESS**

The objective of the City of Shelton Lodging Tax Advisory Committee Process is to support projects, which encourage eligible tourism and cultural activities and support tourism facilities in Shelton. 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 sales taxes collected on overnight stays within the City of Shelton.

**The general application period shall be open on August 1 and close on August 31.** At the request of the Mayor or City Commission, or at the Lodging Tax Advisory Committee's own discretion, grant applications can 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.

### **1. PROJECT ELIGIBILITY**

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

“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.

“Operations” is defined as services required to ensure a facility will do what it is designed to do. Facility operations typically includes the day to day operations of the facility.

“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.

### **2. APPLICATION REQUIREMENTS**

To be considered, applications must be complete, adhere to the specified format, and be submitted with six (6) copies of all components.

#### **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.

### 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.

### TIME LINE

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

### 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.

### 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.

### 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 Confidential Administrative Assistant and the grantee presents an oral report to the City Commission.

### HISTORY

Provide a brief history of your program/organization.

## **3. SELECTION PROCESS**

When the application solicitation period opens, the Confidential Administrative Assistant 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 Commission projects/events to be funded and at what level. **The Commission 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 Commission's approval of proposal, and
  - c. The execution of the contract by the City's authorized signatory.

The City of Shelton 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.



**CITY OF SHELTON  
APPLICATION FOR  
2018 LODGING AND TAX FUND MONIES  
525 W Cota  
Shelton, WA 98584**

**1. PROJECT APPLICATION**

**DEADLINE AUGUST 1 – AUGUST 31, 2017**

Project Title: \_\_\_\_\_

Type of Project:  Promotion Activities  Facility  Tourism Related Facility

Applicant: \_\_\_\_\_

Phone: \_\_\_\_\_ E-mail \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Applicants are:  Non-Profit  Public Agency

Contact Person (if different than applicant): \_\_\_\_\_

Phone: \_\_\_\_\_ E-mail \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Amount requested: \_\_\_\_\_ Applicant's match: \_\_\_\_\_

Total project budget: \_\_\_\_\_

**Lodging Tax Funds are disbursed as per RCW 67.28.1816**

**To be considered, an application must be complete, adhere to the specified format, and be submitted with six (6) copies of all components.**



### 3. SCOPE OF WORK

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Fully describe the project. Expand your summary paragraph from the Project Summary to address such issues as:

- a. What it is you wish to do?
- b. How and why the community will benefit?
- c. What are the beginning and ending dates of your project?
- d. What measures you will apply to evaluate its success?
- e. Brief history of the event and/or organization

(Ensure that you respond to each portion of the directions.) If you are requesting funds for a specific portion of a larger project, please state that but focus your response on the element for which you are requesting grant assistance. You may use additional pages as necessary. **Attachments to this section should be labeled "3. Scope of Work".**

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## 7. PROJECT BUDGET

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Please detail the budget for your project. Specify whether your various match items will be cash (C) or in-kind (I/K). **In addition** to completing the chart below, you may **also** submit your budget in a different format, if necessary. **Attachments to this section should be labeled "7. Project Budget".**

### BUDGET SHEET

PROJECT: \_\_\_\_\_

ITEM		CITY	MATCH*	C	I/K	TOTAL
1.		\$	\$			\$
2.		\$	\$			\$
3.		\$	\$			\$
4.		\$	\$			\$
5.		\$	\$			\$
6.		\$	\$			\$
7.		\$	\$			\$
8.		\$	\$			\$
9.		\$	\$			\$
10.		\$	\$			\$
TOTALS		\$	\$			\$

\*While matching funds are not required, the amount of additional funds, supplies, materials and staff time an organization brings to an event is a good measure of that organization's commitment to success.

## 8. CASH FLOW REQUIREMENTS

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Please indicate, by quarter, when you will need funds from the City. **Attachments to this section should be labeled "8. Cash Flow Requirements".**

QUARTER TO BE REIMBURSED	FUNDS REQUIRED/AMOUNT
1 <sup>st</sup> (January - March)	\$ _____
2 <sup>nd</sup> (April - June)	\$ _____
3 <sup>rd</sup> (July - September)	\$ _____
4 <sup>th</sup> (October - December)	\$ _____



**10. PROJECT TIMELINE**

Attachments to this section should be labeled "10. Project Timeline".

MONTH	TASK ITEM
JANUARY	
FEBRUARY	
MARCH	
APRIL	
MAY	
JUNE	
JULY	
AUGUST	
SEPTEMBER	
OCTOBER	
NOVEMBER	
DECEMBER	

## **11. ATTACHMENTS**

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**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);
2. IRS Tax I.D. number;
3. Copy of articles of incorporation;
4. Copy of most recent approved and proposed budgets of the overall organization;
5. Copy of meeting minutes showing official approval of project and authorization of application or a signed resolution of the board of directors authorizing the application;
6. List of members of the organization's board of directors and principal staff.

### **B. PUBLIC AGENCIES**

1. Copy of meeting minutes approving project and authorization of application or a letter or resolution indicating official approval of project and application.

### **C. 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.

### **D. FOR-PROFITS**

1. Copy current/valid Shelton 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.