



## **CITY OF RENTON LODGING TAX GRANT PROGRAM**

### City of Renton Lodging Tax Fund Overview

Renton's Lodging Tax Fund is the primary source of City funding for activities, operations, and expenditures designed to increase tourism. In addition, the City intends to maintain a reserve in the Fund, and will assess on an annual basis how much of the Fund to appropriate in a given year.

The Renton City Council has created a Lodging Tax Advisory Committee to conduct an annual process to solicit and recommend Lodging Tax funded services for City Council consideration.

The City of Renton will only consider proposals for use of the Lodging Tax Fund from public and non-profit agencies.

HIGH PRIORITY will be given to tourism activities that:

- Have a demonstrated potential or high potential from the Committee's perspective to result in overnight stays by tourists in lodging establishments within the City of Renton.
- Promote Renton and/or events, activities, and places in the City of Renton to potential tourists from outside our city.
- Have demonstrated or high potential from the Committee's perspective to result in documented economic benefit to Renton.
- Have a demonstrated history of success in Renton, or are proposed by a group with a demonstrated history or high potential of success with similar activities.
- Minimize duplication of services where appropriate and encourage cooperative marketing and/or includes an element of cooperation or partnership.
- Provide, maintain, operate or enhance City-owned tourism facilities or infrastructure

### **Renton Lodging Tax Advisory Committee Considerations**

In developing its recommendations, the Committee considers:

- The estimated amount of Lodging Tax Funds available for the coming year as provided by the City's Finance Office.
- Thoroughness and completeness of the proposal.
- Percent of the proposal request to the event/facility promotions budget and overall revenues.

- Percent of increase over prior year Renton Lodging Tax funded proposals, if any.
- Projected economic impact within the City of Renton, in particular projected overnight stays in Renton lodging establishments.
- The applicant's financial stability.
- The applicant's history of tourism promotion success.
- Committee member general knowledge of the community and tourism-related activities.

#### State Law Excerpts

##### RCW 67.28.1816 – Lodging tax – Tourism Promotion.

(1) Lodging tax revenues under this chapter may be used, directly by any municipality or indirectly through a convention and visitors 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.

(2)(a) Except as provided in (b) of this subsection, applicants applying for use of revenues in this chapter must provide the municipality to which they are applying estimates of how any moneys received will result in increases in the number of people traveling for business or pleasure on a trip:

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

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

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

##### RCW 67.28.080 – Definitions.

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Acquisition" includes, but is not limited to, siting, acquisition, design, construction, refurbishing, expansion, repair, and improvement, including paying or securing the payment of all or any portion of general obligation bonds, leases, revenue bonds, or other obligations issued or incurred for such purpose or purposes under this chapter.

(2) "Municipality" means any county, city or town of the state of Washington.

(3) "Operation" includes, but is not limited to, operation, management, and marketing.

(4) "Person" means the federal government or any agency thereof, the state or any agency, subdivision, taxing district or municipal corporation thereof other than county, city or town, any private corporation, partnership, association, or individual.

(5) "Tourism" means economic activity resulting from tourists, which may include sales of overnight lodging, meals, tours, gifts, or souvenirs.

(6) "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.

(7) "Tourism-related facility" means real or tangible personal property with a usable life of three or more years, or constructed with volunteer labor that is: (a)(i) Owned by a public entity; (ii) owned by a nonprofit organization described under section 501(c)(3) of the federal internal revenue code of 1986, as amended; or (iii) owned by a nonprofit organization described under section 501(c)(6) of the federal internal revenue code of 1986, as amended, a business organization, destination marketing organization, main street organization, lodging association, or chamber of commerce and

(b) used to support tourism, performing arts, or to accommodate tourist activities.

## TIMELINE FOR 2020 LODGING TAX APPLICATIONS

|                    |   |
|--------------------|---|
| September 30, 2019 | Applications Available  |
| October 25, 2019   | Applications due (hardcopy and email) by 5:00pm                           |
| October 28, 2019   | LTAC subcommittee to receive electronic copies of applications for review |
| November 1, 2019   | Special LTAC meeting to review applications                               |
| November 7, 2019   | Special LTAC meeting to interview final applicants                        |
| January 2020       | Funding list reviewed by Renton City Council                              |

*(Please note that the dates and requirements for this and future application cycles are subject to change).*



## 2020 RENTON LODGING TAX FUNDS APPLICATION

| <b>Applicant Information</b>   |  |   |
|--|--|---|
| Business Status:   | Non-Profit* <input type="checkbox"/><br><i>*Attach documentation</i> | For-Profit <input type="checkbox"/> Other: _____                                |
| Funding Requested For:   | Event <input type="checkbox"/><br>Facility <input type="checkbox"/>  | Marketing <input type="checkbox"/><br>DMO <input type="checkbox"/> Other: _____ |
| Applicant/Organization Name: _____   |  |   |
| Mailing Address: _____   |  |   |
| City: _____  | State: _____   | Zip: _____  |
| Contact Person (if different from applicant): _____  |  | Phone Number: _____   |
| Signing Authority for Contract (if different from applicant): _____  |  | Phone Number: _____   |
| Contact Person(s) Email: _____   |  |   |
| <b>Proposal Information</b>  |  |   |
| Title of Proposal: _____   | Amount Requesting from 2020 LTAC:         \$ _____                   |   |
| Anticipated time frame for accomplishing Proposal: _____   | Date(s) of activity/event: _____                                     |   |
| Brief description of Proposal: _____   |  |   |
|  |  |   |
| <b>Tourism Promotion (Attach additional pages as needed)</b>   |  |   |
| How will your Proposal attract, serve, and/or facilitate tourism in Renton (e.g., promote travel to Renton, promote retail sales, provide entertainment, feed or lodge tourists, encourage longer stays and return visits, provide other specific short or long-term economic benefits, etc.)? |  |   |
|  |  |   |
|  |  |   |
|  |  |   |
| How and where will you market your Proposal to increase the number of visitors to Renton?  |  |   |
|  |  |   |
|  |  |   |
|  |  |   |
| How will you measure the amount of visitor traffic generated by your marketing and/or event? (See Visitor Report Form for more information.)   |  |   |
|  |  |   |
|  |  |   |
|  |  |   |
| Have you worked with other local organization or businesses to promote your Proposal?  |  | Yes <input type="checkbox"/> No <input type="checkbox"/>                        |
| Please list the local businesses and organizations you are partnering with to promote you proposal.  |  |   |
|  |  |   |

**Proposal Budget Summary (Complete the summary below AND ATTACH DETAILED BUDGET)**

**EXPENSES**

|   | RENTON (LTAC) FUNDS | Other Funds | Total |
|---|---------------------|-------------|-------|
| Personnel (salaries & benefits)   | \$                  | \$          | \$    |
| Administration (office expenses including copies, rent, janitor, utilities, phone, taxes, supplies, etc.) | \$                  | \$          | \$    |
| Marketing/Promotion   | \$                  | \$          | \$    |
| Travel  | \$                  | \$          | \$    |
| Consultants   | \$                  | \$          | \$    |
| Other Activities<br><i>Explain:</i>   | \$                  | \$          | \$    |
| <b>TOTAL COSTS:</b>   | \$                  | \$          | \$    |

What percentage of your overall Proposal budget would the Renton (LTAC) funds represent? \_\_\_\_\_%

Can you complete this Proposal with reduced funding? Yes  No  Please explain: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**OTHER INCOME (from sponsorships, grants, donations, and admission fees)**

*If you anticipate receiving partial funding for this activity from another source, please list the source(s), approximate amount, and status of funding. Indicate the entry or admission fee if one will be charged.*

| Source                     | Amount | Confirmed or Projected?<br>If projected, what is the anticipated receipt date? |
|----------------------------|--------|--|
|                            | \$     |  |
|                            | \$     |  |
|                            | \$     |  |
|                            | \$     |  |
|                            | \$     |  |
| <b>TOTAL OTHER INCOME:</b> | \$     |  |

| Other Financial Information  |      |
|--|------|
| Does the proposed activity, event, or facility have the ability to increase its revenues? Yes <input type="checkbox"/> No <input type="checkbox"/>   |      |
| If so, explain how (e.g., charging admission, increasing fees, etc.):  |      |
|  |      |
|  |      |
| If applicable, explain how the proposed activity, event, or facility will endeavor to become self-supporting in the future:  |      |
|  |      |
|  |      |
|  |      |
| Signature Required   |      |
| <p><b>The applicant certifies that: If awarded I understand that 1) my organization intends to enter into a Municipal Services Contract with the City and provide liability insurance for the duration of the contract naming the City as an additional insured and in an amount determined by the City. 2) Unless otherwise approved by the Committee, the City of Renton will only reimburse those costs actually incurred by my organization and only after the service is rendered, 3) my organization will be required to submit a report documenting economic impact results in a format determined by the City.</b></p> |      |
| Signature  | Date |

**APPLICATION CHECKLIST**

**Include one (1) signed original and seven (7) copies of the following:**

- Y Completed, signed Application. Letter-sized, typed, printed on one side, not stapled or bound.
- Y 2020 Visitor Attendance Report Projections (form attached)
- Y Detailed Proposal Budget
- Y Supporting materials, if applicable (e.g., example advertisements).

**Include one (1) copy of the following, if applicable:**

- Y Non-profit IRS letter regarding tax exempt status
- Y Commitment letter from each co-sponsor

**APPLICATION SUBMISSION**

Submit application packets by 5:00 pm Friday, October 25, 2019, to: City of Renton Lodging Tax Advisory Committee, 1055 S. Grady Way 6th Floor, Renton, WA 98057

**Note: No supplementary information or documentation will be accepted after the application deadline. In addition, applicants will not be permitted to hand anything to the LTAC during proposal presentations (e.g., documents, flyers, promotional gift items of anykind).**

**COMPLETE AND SUBMIT THIS PROJECTION REPORT WITH YOUR LTAC APPLICATION.**

(Note: Grant recipients will be required to complete a similar report showing actual attendance figures after the completion of their 2020 event.)

**CITY OF RENTON  
2020 LTAC VISITOR ATTENDANCE REPORT (PROJECTIONS ONLY)**

YOUR ORGANIZATION: \_\_\_\_\_

NAME of Event, Facility, or Marketing Proposal: \_\_\_\_\_

DATE(S) your activity will occur: From \_\_\_\_\_ through \_\_\_\_\_

AMOUNT you are requesting from LTAC: \$ \_\_\_\_\_

|  | <u>Projected</u> | <u>Methodology* and Explanation</u>  |
|--|------------------|--|
|  |                  | <i>Choose the method you intend to use from the list below, then explain how data will be collected.</i> |
| 1. Total anticipated attendance:<br># of people at your event, using<br>your facility, or brought to the<br>City due to your marketing efforts | _____ People     | Method _____<br>Explain _____  |
| 2. How many visitors will come from<br>over 50 miles away?   | _____ People     | Method _____<br>Explain _____  |
| 3. How many visitors will come from<br>another state or country?   | _____ People     | Method _____<br>Explain _____  |
| 4. How many overnight visitors<br>will stay with family/friends?   | _____ People     | Method _____<br>Explain _____  |
| 5. (a) How many overnight visitors<br>will stay at PAID accommodations?  | _____ People     | Method _____<br>Explain _____  |
| (b) This will result in how many<br>total paid lodging nights?<br><i>(Consider multiple nights, double occupancy, etc.)</i>                    | _____ Nights     | Method _____<br>Explain _____  |

- \* **Direct Count** – e.g., paid admissions, head count, chair or vehicle count, figures collected from a hotel/restaurant/tour guide.
- \* **Indirect Count** – e.g., raffle tickets sold, redeemed coupons, brochures handed out, police requirements for crowd control, visual estimate.
- \* **Representative Survey** – Highly structured data collection based on random sample survey that includes a margin of error and confidence level which allows the results to be reliably projected over all attendees.
- \* **Informal Survey** – Unstructured survey with results that cannot be reliably projected over all attendees. For example, information is taken only from volunteer participants, or it’s only offered at one time/place rather than throughout the event.
- \* **Structured Estimate** – Figure is based on computing known information about an event or location such as the maximum legal occupancy (one person per three square feet).
- \* **Other** – Please describe.