



Tourism Enhancement Grant Overview and Instructions

The City of Federal Way provides grants to promote and improve tourism. This document provides background on the Tourism Enhancement Grant Guidelines.

OVERVIEW

OBJECTIVE

The City of Federal Way adopted a 1% lodging tax in 1999 for the purpose of promoting and enhancing tourism. The City's Lodging Tax Advisory Committee (LTAC) recommended and upon City Council approval the formulation of a Tourism Enhancement Grant (TEG) program occurred. The objective of the grant program is to promote an increase in overnight visitors, specifically hotel stays in the city and increasing economic impacts from tourism.

The Washington State Legislature sets the hotel/motel tax rules including the use of grant funds. The Legislature has indicated that these funds are to be used solely for tourism promotion, support and operations of special events, and for the acquisition and/or maintenance of tourism-related facilities as long as those facilities serve in part tourists traveling 50 miles or further.

The state legislation defines the term of a tourist as someone who travels in excess of 50 miles from their place of residence or business. Those who receive a grant do so with the idea that the tourist to their event or project will stay overnight in a hotel in Federal Way.

Therefore, the City of Federal Way's Tourism Enhancement Grant is a competitive program for which organizations can apply to produce and promote events along with the maintenance or development of tourist facilities.

FUNDS AVAILABLE

The City of Federal Way typically allocates \$65,000 in Tourism Enhancement Grants per year. There is no recommended cap on individual grants or the overall amount distributed during any grant cycle. Most awards are between \$1,000 and \$5,000. The Lodging Tax Advisory Committee (LTAC) typically recommends 10 to 20 awards per year.

APPLICATION GUIDELINES

Read the entire “Overview and Instructions” before completing the application. Answer each question. If you have a question(s) please contact the City for details.

ELIGIBLE USES

Events such as amateur sports along with arts/cultural activities, conferences, seminars and exhibits that bring participants, spectators, attendees, and other visitors from 50 miles or more from Federal Way are eligible specifically that these activities generate hotel stays. In addition, nonevent programs (such as marketing and facilities development and maintenance) that improve or increase tourism activities that bring participants, spectators, attendees and other visitors from 50 miles or more from Federal Way are also eligible.

ELIGIBLE COSTS

Eligible costs include, but are not limited to: advertising and promotional expenses; purchase and/or rental of venues, equipment and materials required for event production; talent or collateral fees; planning, production, and event-staffing costs; etc. The grant shall be used solely for securing, marketing, and producing eligible activities (events and nonevent programs).

Grants cannot be used for tournament entry fees, team travel, uniforms, give away items, (including trophies, t-shirts, food, etc.) permanently held equipment, staff salaries, facility upgrades or capital campaigns. In addition, this fund will not be used to cover any regular operating expenses of the organization that otherwise would occur regardless of the specific event or nonevent program.

GRANT PERIOD AND PROCESS

Grants are issued twice a year. The periods are from January through June and from July through December.

The first grant period is from January through June. The second grant period is from July through December.

Grant applications for the first period are due in October. They are evaluated in October and November. The recommendations are approved by City Council in December.

Grant applications for the second grant period are due in March. They are evaluated in April and May.

A sub-committee of the City’s Lodging Tax Advisory Committee reviews, evaluates and interviews grant applicants and makes recommendations on the applications.

The events or non-event programs must take place during the same calendar year as the grant is awarded. Additionally, all grants must be closed out and grantees must submit their Post Grant Reports within the timeline identified in their grant contract or no later than the end of the calendar year for which the grant was approved and awarded.

No event or non-event program shall have taken place prior to City Council’s approval for the particular funding cycle; January through June or July through December.

A sub-committee of the City's Lodging Tax Advisory Committee will review, evaluate grant applications and interview grant applicants.

The Subcommittee sends its recommendation to the Lodging Tax Advisory Committee (LTAC) for review, evaluation and recommendation. LTAC sends its recommendation to the City Council's Finance, Economic Development, and Regional Affairs Committee (FEDRAC) for review and recommendation. Their recommendation is sent to the City Council who makes the final decision. This process takes approximately six to eight weeks. Upon City Council approval of the recommendations, the City will notify applicants with a grant award letter.

All applications must be submitted by the due date and time identified. Any late applications will not be processed. An applicant can submit a completed application by mail, e-mail or delivered to the following:

Lodging Tax Advisory Committee
City of Federal Way Mayor's Office
33325 8th Avenue South
Federal Way, WA 98003-6325
Tim.Johnson@CityofFederalWay.com
253-835-2412

Applicants will be notified of the date and time that their application will be reviewed. The sub-committee will request the applicant to appear at the review. It is recommended that a representative of your organization be on hand at the review to answer questions from the subcommittee.

An applicant can submit more than one application per grant round; however, they cannot be for the same event or non-event program activity. An applicant can submit more than one application per year but again, not for the same event or non-event program.

GRANT SELECTION CRITERIA

All grant applications will be reviewed and judged by the following criteria:

- New or existing event/nonevent program and whether a new organization
- Scope of event; origination point of participants and attendees (more than 50 miles, statewide, multi-state, national, and/or international)
- Is the marketing to be local, regional (Western WA), statewide, multistate (Western US), national, and/or international? How will the event be marketed (print, media, website)?
- Demonstrated need for the funds, i.e. submit a budget (does the applicant anticipate a profit?)
- Length of event (multi-day functions are encouraged) / average length of stay for nonevent programs
- Location of event (Federal Way, South King/North Pierce County, other)
- Time of year
- Anticipated economic impact as demonstrated by projected number of spectators, participants, and support staff
- Nonevent programs must document how it will improve/increase tourism by projected number of tourists
- Projected/anticipated overnight room stays
- Organization's history in meeting projected economic impact
- Organization's history in fulfilling grant/program conditions, including providing documentation and data for Post-Event/Nonevent Reports

METHODS TO DETERMINE ATTENDANCE AND OVERNIGHT STAYS

The State guidelines define a tourist as someone that travels 50 miles or more from their business or residence to attend an event. This is a 50 mile radius, not road miles driven. When submitting an application and Post Event/Nonevent Program Report, an applicant must provide information about attendance and overnight stays of spectators, participants and support staff, both projected and actual. Applicants must identify and illustrate how they will use one or more of the following methods to determine the statistics that are required.

Direct Count: This method includes an actual count of visitors using methods such as verbal/written survey, paid admissions or registrations, clicker counts at entry points, vehicle counts or number of chairs filled. A direct count may also include information collected directly from individual visitors, businesses, such as hotels, restaurants or tour guides, likely to be affected by an event.

Indirect Count: Estimate based on information related to the number of visitors such as raffle tickets sold, redeemed discount certificates, brochures handed out, police requirements for crowd control or visual estimates.

Representative Survey: Information collected directly from individual visitors/participants. A representative survey is a highly structured data collection tool, based on a defined random sample of participants, and the results can be reliably projected to the entire population attending an event and includes margin of error and confidence *level*.

Informal Survey: Information collected directly from individual visitors or participants in a non-random manner that is not representative of all visitors or participants. Informal survey results cannot be projected to the entire visitor population and provide a limited indicator of attendance because not all participants had an equal chance of being included in the survey.

Structured Estimate: Estimate produced by computing known information related to the event or location. For example, one jurisdiction estimated attendance by dividing the square footage of the event area by the international building code allowance for persons (3 square feet).

No matter which method an applicant uses, the applicant must provide information related to zip codes of the attendees, i.e, participants, spectators and support staff.

ZIP CODE SURVEY

The Grantee will provide a zip code survey on a separate sheet which includes a list of attendees (spectators, participants, support staff) by zip codes, and if possible their corresponding city, state or country; the numbers of attendees from each zip code and percentage of attendees traveling over 50 miles to event.

EXAMPLE:

Results of Attendee Survey

Zip Code	City, State/Country	Amount
74105	Tulsa, OK	2
92647	Huntington Beach, CA	1
92708	Santa Anna, CA	2
97007	Beaverton, OR	5
98001	Auburn	11
98003	Federal Way	27
98021	Bothell	2
98022	Enumclaw	4
98023	Federal Way/Auburn	38
98144	Seattle/Beacon Hill	2
98354	Milton	11
98373	Puyallup/South Hill	8
98390	Bonney Lake	11
98422	Tacoma	26
Total # of Audience Members		110
Total # of Musicians and Support Staff		40
Total in Attendance		150
Total # of Zip Codes		14
Total # of Survey Responses		150
Total # of Out-of-Area Responses		9
Percentage of Out-of-Town Audience		6%

BUDGET

The applicant will provide a "Projected Budget" for the event/non-event including. If awarded, the grantee must provide actual budget illustrating forecasted revenues and expenditures.

EXAMPLE:

Projected Budget for: (name of event/nonevent program)

Submitted by: (name of organization)

Event Date(s): _____

Revenue

<u>Item</u>	<u>Projected</u>
Entry Fees	\$ _____
Ticket Sales	\$ _____
Grants/Sponsorships and Others	\$ _____
Total Forecasted Revenue	\$ _____

EXPENSES

<u>Item</u>	<u>Projected</u>
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
Total Expenses	\$ _____

PROFIT/LOSS \$ _____

POST EVENT/NONEVENT PROGRAM REPORT

The Revised Code of Washington (RCW) 67.28.1816 requires that all jurisdictions that collect lodging tax must maintain event and project-specific reports detailing how the funds Tourism Enhancement Grants have been spent to promote tourism.

Equally important, grantees must submit a Post Event/Nonevent Program Report. Upon the presentation of the event or after the program, submission of a Post Event/ Nonevent Program Report and corresponding invoices must be submitted that document the financial and participation data. This will be used to compare the projections against those in the grant application. This is required. The report must describe the actual number of people traveling for business or pleasure that attended the event or facility.

By law, all lodging tax funds must be utilized only for the development and promotion of tourism activities in the jurisdiction where the tax was collected. A major portion of the city's report to the State of Washington constitutes a compilation of all the Post Event/Nonevent Program Reports submitted by the TEG grantees for each year.

Each grant recipient is required to submit a Post Event/Nonevent Program Report and TEG Award Invoice. This report is required to be submitted within 60 days after the event/nonevent program's completion but no later than December 31st.

The report shall document financial and participation data compared with projections in the grant application. Usage of lodging tax funds is intended for events or nonevent programs that will promote tourism activities in Federal Way and bring tourists to our community. Furthermore, for all events or programs funded with lodging tax monies, a post event report must be submitted per RCW 67.28.1816(2)(c) as follows:

(i) All recipients must submit a report to the municipality describing the actual number of people traveling for business or pleasure on a trip:

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

To a place fifty (50) miles or more one way from their place of residence or business for the day or staying overnight; or from another country or state outside of their place of residence or their business.

Failure to submit the Post Event/Nonevent Program Report and TEG Invoice will prevent disbursement of any Tourism enhancement Grant and will automatically disqualify applicants from all future TEG application submissions.

The Post Event/Nonevent Program Report includes:

- Overview of revenues/expenses
- Description of how the event/program increased overnight stays by providing the following information:
 - Number of attendees/participants
 - Number of overnight tourists who stayed in paid accommodations
 - Number of tourists in non-paid accommodations (stayed with family or friends)
 - Number of tourists traveling more than 50 miles, but attended for the day
 - Number of out of state attendees/participants
 - Description of how these numbers were determined

BUDGET

The Grantee will provide an itemized budget for the event/nonevent program including, but not limited to: copies of all relevant vendor invoices/receipts for expenses, services and products; cash count sheets; ticket sale tallies/counts; entry fee tallies/counts; credit/debit card deposit reports; other grants/sponsorships; and any other relevant revenues or expenses.

EXAMPLE:

Final Budget for: (name of event/nonevent program)

Submitted by: (name of organization)

Event Date(s): _____

REVENUE

Item	Projected	Actual
Entry Fees \$_____	\$_____	\$_____
Ticket Sales \$_____	\$_____	\$_____
Grants/Sponsorships and Others	\$_____	\$_____
Total Actual Revenue		\$_____

EXPENSES

Item	Projected	Actual
_____	\$_____	\$_____
_____	\$_____	\$_____
_____	\$_____	\$_____
_____	\$_____	\$_____
Total Expenses		\$_____

PROFIT/LOSS \$_____

PROVIDE EVENT PROMOTION

The grantee agrees to provide copies to the City of Federal Way of any marketing material, (paper or electronic form) along with any photos taken of event and any news related promotion or coverage of the Event/Non-Event.

GRANT DISBURSEMENT

The City agrees to reimburse the amount granted within 30 days after approving the Post Event/Nonevent Program Report, that include invoices reconciling to the grant awarded for eligible expenditures made by the grantee for the purpose of organizing the event or nonevent program.

All invoices must be submitted together with invoices (preferable the original) from all relevant vendors for services and products related to the event or nonevent program.

ACKNOWLEDGEMENT BY THE CITY

As acknowledgement of the grant support provided for the event or nonevent program, the City will receive the following:

- The right to produce and distribute a news release, including the name of the grant recipients, the name of the event or nonevent program, and details pertaining to the event or nonevent program.
- The right to display a City of Federal Way banner at the event site.
- Inclusion by sponsoring organization of the city logo and phrase, “Funded in part by a grant from the City of Federal Way lodging tax fund” in any printed materials and on sponsoring organization’s website information regarding the event or nonevent program.
- Inclusion by sponsoring organization of the city’s tourism website (www.visitfw.org) on any printed material and on sponsoring organization’s website information regarding the event or nonevent program.
- Other promotional opportunities as agreed by the event/nonevent program’s management and the City of Federal Way.

VIOLATION OF GRANT CONDITIONS

It is the grant recipient’s sole responsibility to be familiar with all grant conditions that may be applicable. Any misuse or material false representation, based on the city’s sole determination, shall constitute violation of the grant conditions and the recipient agrees to reimburse the city for such funds that are obtained with such misrepresentation or funds misused. The officer(s) of the organization that receive the grant shall be responsible for the reimbursement jointly and individually. The City further reserves the right to seek criminal action in the event of gross misrepresentation of the requestor.

INDEMNIFICATION

In no event shall the City of Federal Way, the Lodging Tax Advisory Committee members, or any of their funding partners, contributors, officers, or employees be held liable for the action or business activities of individuals or organizations receiving grant support. By awarding grant funds, there is no expressed or inferred sanctioning of the event or nonevent program or their management by the City or any elected or appointed officials. Grant recipients agree to hold harmless and indemnify the City of Federal Way against any claims. Acceptance of grant funds is deemed evidence of the recipient's acceptance of these terms and conditions.

REMINDERS

To ensure completion, make sure the following is included in your application:

- Original application and all attachments (single sided)
- Electronic copy of application and all attachments
- Budget
- List of sources of funding, both requests and confirmed
- Marketing Plan
- Selection of Method to determine attendance and hotel stays
- If nonprofit, registration from state or federal government

Any questions, please contact the City of Federal Way as identified above