



## **CITY OF BAINBRIDGE ISLAND**

### **REQUEST FOR PROPOSALS 2024 LODGING TAX / TOURISM FUND (CIVIC IMPROVEMENT FUND)**

The City of Bainbridge Island is seeking proposals for projects to receive funding under the Civic Improvement Fund, which is established through Chapter 67.28 of the Revised Code of Washington (“RCW”) and Section 3.65.040 of the Bainbridge Island Municipal Code. Proposals must be for tourism marketing projects, marketing and operations of special events or festivals, the operation of eligible tourism-related facilities,<sup>1</sup> or capital expenses for an eligible tourism-related facility.<sup>2</sup>

In 2023, there are \$400,000 in Civic Improvement funds (also known as Lodging Tax funds) available for distribution to support selected projects in 2024. The City Council has approved funding within a wide range, to encourage innovative projects of all sizes that recognize and promote the exciting – and expanding – tourism trends and opportunities happening on Bainbridge Island. In general, awards will be made in amounts between \$5,000 and \$200,000. Applications that exceed \$200,000 are allowed; these applicants may receive additional questions or requests for documentation to support the request. Awards will not be made for amounts less than \$5,000 to support efficiency on the part of both the applicant organizations and City administration.

Funds must be used for: tourism marketing; marketing and operations of special events and festivals designed to attract tourists; operations and capital expenditures of tourism-related facilities owned or operated by a municipality or a public facilities district; or operations of tourism-related facilities owned or operated by nonprofit organizations. The City makes single-year commitments with Lodging Tax funds.

Successful applicants will be required to enter into a professional services agreement with the City to provide the services or products outlined in their proposals, including obtaining a business license and providing documentation of certain types of insurance. Payment by the City will be made only when documentation of delivery of contracted services or products is provided to the City. The City will not provide payment in advance of delivery of goods or services.

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<sup>1</sup> To be eligible for *operating* expenses, the tourism-related facility must be owned or operated by a municipality, or a public facilities district, or a nonprofit recognized by the Internal Revenue Service under 26 U.S.C. Sec. 501(c)(3) or 26 U.S.C. Sec. 501(c)(6). See, RCW 67.28.1816.

<sup>2</sup> To be eligible for *capital* expenses, the tourism-related facility must be owned or operated by a municipality or a public facilities district. See, RCW 67.28.1816.

All project activities must be identified in promotional and other business materials as having been funded by the City of Bainbridge Island Civic Improvement Fund.

### ***Applicant Eligibility***

- Applicants seeking funding for capital expenditures for a tourism-related facility must be a municipality or a public facilities district created under Chapters [35.57](#) and [36.100](#) RCW.
- Applicants seeking funding for operating expenditures for a tourism-related facility must be a municipality or a public facilities district, or be recognized by the Internal Revenue Service as a nonprofit under 26 U.S.C. Sec. 501(c)(3) or 26 U.S.C. Sec. 501(c)(6).
- Applicants, other than municipalities or a public facilities district, must be registered with the Washington Secretary of State as a Washington State Corporation.
- Applicants may be: convention and visitors' bureaus, destination marketing organizations, main street organizations, lodging associations, chambers of commerce, nonprofit organizations, or a municipality (defined as any city, town or county).
- Individual persons are not eligible for funding.
- For-profit, private businesses are not eligible for funding.

### ***Proposal Eligibility***

- Proposals must comply with federal, state, and City of Bainbridge Island laws and requirements.
- Proposals must fund expenses incurred during January 1 – December 31, 2024. Funding requests for goods or services to be provided in 2023 or beyond calendar year 2024 will not be considered.
- Proposals from non-City organizations with a board member, officer, or staff member serving on the Lodging Tax Advisory Committee are not eligible for funding and will not be considered.
- Proposals involving special events, signs, building or construction, impacts to public property, or other activities that require permits under City code or state or federal law must demonstrate that the applicant has researched the appropriate permit regulations, confirmed the viability of the proposed activities, and incorporated permit fees in the project budget.

## ***Policy Background***

Bainbridge Island Municipal Code – [Section 3.65.040 Civic Improvement Fund](#)

[Revised Code of Washington \(RCW\) Chapter 67.28 RCW](#) – PUBLIC STADIUM, CONVENTION, ARTS, AND TOURISM FACILITIES

### ***Definition of Terms***

*(Per RCW 67.28.080)*

“Operation” includes, but is not limited to, operation, management, and marketing.

“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.

“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.

## ***Application Requirements***

- Each proposal must **ADDRESS AND REFERENCE** the questions listed on the attached LTAC 2024 Proposal Form **IN THE ORDER IN WHICH THEY APPEAR**.
- Proposal must be presented in minimum 11-point font and may not exceed ten pages in total length (including the Cover Sheet).
- Each organization may submit only one application.
- The City strongly prefers proposals in electronic format. **Proposals should be submitted as a single document that includes a Cover Sheet and any attachments, preferably using a pdf format.**
  - Submit the proposal via email to: [cityadmin@bainbridgewa.gov](mailto:cityadmin@bainbridgewa.gov)
  - Paper copies may be mailed to City Hall or dropped off at the City Hall front desk.
- Proposals are due **no later than 4:00 pm, Monday, October 2, 2023**. Late proposals will not be accepted. Applicants are solely responsible for ensuring that proposals are submitted and received on time.
- Each selected Service Provider (i.e., Lodging Tax funding recipient) will be required to submit to the City a final report on project results by February 28, 2025. **Per RCW 67.28.1816, and the reporting guidelines provided by the Washington State Joint Legislative Audit and Review Committee (JLARC), final reports must include the following information related to the activity:**

*The projected and actual data for each of the following categories:*

- a) Overall attendance for the activity;*
- b) The number of people who traveled more than 50 miles to attend the activity;*
- c) The number of people from outside the state or outside the country who attended the activity;*
- d) The number of people who attended the activity and paid for overnight lodging;*
- e) The number of people who attended the activity without paying for overnight lodging, and*
- (f) Total number of paid lodging nights (one lodging night = one or more persons occupying one room for one night).*

Additional information is available via JLARC's "[Instructions For Reporting Lodging Tax Expenditures](#)" document.

## ***Review Process***

### **Lodging Tax Advisory Committee (LTAC)**

To be appointed by the Council on TBD, 2023

**Brenda Fantroy-Johnson**

City Councilmember Chair, voting

**Clarence Moriwaki**

City Councilmember Vice-chair, non-voting

**TBD**

Eligible lodging business representative

**TBD**

Eligible lodging business representative

**TBD**

Eligible recipient organization representative

**TBD**

Eligible recipient organization representative

Proposals will be provided to the City's Lodging Tax Advisory Committee (LTAC) for review and comment. Applicants will have an opportunity to meet with the LTAC to provide additional information about their proposals, at a time and date to be identified by the committee. Applicant participation in this LTAC briefing is not mandatory but is strongly encouraged. The format for this briefing will be determined by the committee and applicants will be notified in advance of any particulars related to presentation materials, format, and time allowed.

All meetings of the LTAC will be open to the public, and advance notification of LTAC meetings will be provided by the City Clerk.

The LTAC will provide its recommendation for 2024 awards to the City Council for a final funding decision. The committee recommendation will include a list of candidate projects and recommended amounts of funding, which the City Council will consider for final approval.

## ***Selection Criteria***

The LTAC will use the following criteria in evaluating project proposals. Other relevant factors, such as availability of funds, may also guide the decision process.

### **Lodging Fund Project Evaluation – Threshold Criteria**

- A. Encourages tourism from visitors traveling more than 50 miles and from visitors traveling from outside Washington State or outside the country.
- B. Expected impact on increase in overnight stays in paid accommodations on the island.
- C. Expected increase in tourism. Tourism means economic activity resulting from tourists, which may include sales of overnight lodging, meals, tours, gifts, or souvenirs.

### **Lodging Fund Project Evaluation – Evaluation Criteria**

- D. Goals and/or results objectively assessed, clearly presented in the application, and support increased tourism.
- E. Emphasize tourism during the off-season, October 1 until Memorial Day.
- F. Demonstrated history of organizational success and stability, including but not limited to previous LTAC-funded projects.
- G. Leverage and cooperation with other organizations and businesses, as well as matching funds or in-kind goods and services.
- H. Innovative use of LTAC funds.
- I. Alignment with City goals and values including climate-friendly tourism, equity and inclusion, and sustainable transportation practices.
- J. Proposals for capital projects are encouraged.

## Review Matrix

The LTAC will consider the proposals using the guidelines shown in the following table. These guidelines are intended to help the committee members focus on the various criteria as they evaluate each proposal, so that they may fully understand each application and identify any outstanding questions they may have. Other relevant factors, such as availability of funds and compatibility with the community values of the City of Bainbridge Island, will also guide the committee's work to develop a funding recommendation.

<b>Topic</b>	<b>Description</b>	<b>Maximum Score</b>
<b>Goals</b>	Did applicant provide clear project goals? Are measurement approaches clear? Does the proposal clearly tie to increased tourism?	<b>20 points</b>
<b>Impact</b>	How does the proposal increase revenue-generating tourism or improve the tourism experience on Bainbridge Island? What is the expected return on the investment of LTAC funding in this proposal?	<b>25 points</b>
<b>Timing</b>	Does the proposal target off-season tourism?	<b>5 points</b>
<b>Sustainability</b>	Is this organization likely to continue operating throughout 2024 and in future years? Will the City's funds be used wisely and responsibly?	<b>10 points</b>
<b>Support</b>	Does the proposal demonstrate cooperation with other organizations? Does the proposal include matching funds or services?	<b>10 points</b>
<b>Need</b>	Is this an innovative use of LTAC funds?	<b>5 points</b>
<b>Alignment</b>	How well does the proposal align with the goals of COBI LTAC funding and the City's overall priorities including climate, equity and sustainability?	<b>15 points</b>
<b>Capital</b>	Is this proposal a capital project?	<b>10 points</b>