

2021 Request for Proposal Packet Lodging Tax/Tourism Promotion

This packet is for the 2021 TOURISM PROMOTION SERVICE PROPOSALS to be funded by the Jefferson County Lodging Tax.

Under Jefferson County guidelines, you must be a NON-PROFIT or GOVERNMENTAL AGENCY to be eligible to be funded by the Jefferson County Lodging Tax.

The Jefferson County Lodging Tax Advisory Committee will only consider complete and signed proposals that include all of the requested information and documents, and that are submitted by the proposal deadline: **DECEMBER 31, 2020 by 4:30 pm**

2021 Proposal Guidelines

Tourism Promotion Activities

The Jefferson County Lodging Tax Advisory Committee is accepting proposals from government agencies and non-profit organizations for **tourism-promotion** to be provided during calendar year 2021 and paid for from the County's lodging tax fund. The Committee will make recommendations to the Jefferson County Commissioners within one month following the proposal deadline. All decisions for use of the lodging tax will be made by the Jefferson County Commissioners.

Proposal Deadline: On or before 4:30 p.m. DECEMBER 31, 2020

Digital Delivery only for Proposals to llocke@co.jefferson.wa.us

General Guidelines

- **Proposals from government agencies or non-profit organizations are to be for tourism promotion during calendar year 2021. Please refer to Section A of this packet for a list of eligible tourism promotion activities for this funding round.**
- At the time of implementation, tourism related activities within proposals **must comply with federal, state, and county laws and requirements, including county Public Health direction.**
NOTE: Jefferson County may not use public funds in any way that can be construed as a gift to an individual or organization.
- Proposals must completely address the questions, and all requested supplemental information must be provided. **Incomplete proposals will not be considered by the Lodging Tax Advisory Committee.**
- To be considered, **a fully completed and signed digital application (digital signatures acceptable)** must be received at llocke@co.jefferson.wa.us by the deadline listed above.
- The preferred format for a digital application is a single PDF file attached to an email. If necessary, multiple files in either PDF or Microsoft Word may be attached to a single email as a complete digital application.
- The proposal and all documents filed with the County are public records, potentially eligible for release.

<p>Jefferson County is committed to the non-discriminatory treatment of all Persons in the employment and delivery of services and resources.</p>
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A. Proposal Information

1. Jefferson County's Proposal Process -

The Jefferson County Lodging Tax Advisory Committee solicits service proposals each year. The proposal form is attached, posted on the County's website, www.co.jefferson.wa.us and may also be requested by calling the Jefferson County Commissioner's Office at the Courthouse, (360) 385-9100.

This year, the Committee will review proposals on January 20th, 2021. Applicants are asked to attend the January 20th, 2021 meeting beginning at 9:30 a.m. The County will provide meeting information for all complete applications. At that meeting, each proposing agency will answer questions from the Committee regarding their proposal. The Lodging Tax Advisory Committee will make a recommendation to the Board of County Commissioners regarding which proposals to fund, and at what funding levels within available revenues.

The review of the Lodging Tax Advisory Committee recommendations and final decision about how to use the lodging tax monies is made by the County Commissioners.

Each agency will be notified of the status its proposal.

Contracts are prepared by the County and sent to agencies.

2. Available Funding for 2021

Because of the impact of the COVID pandemic to dramatically reduce tourism and lodging stays this past year and forecast to continue through much of 2021, there is substantially less revenue from lodging tax available for grants in 2021 than in recent years. Organizations submitting proposals should be aware that a total of \$514,000 in lodging tax awards will be available for allocation to eligible tourism promotion activities through this RFP. This includes approximately \$171,000 carried over from 2020 and which is already dedicated to 14 organizations in the amounts shown in the table below. **After accounting for the \$171,000 that is already dedicated, just \$343,000 is available for additional allocation for 2021.** Those amounts are after also setting aside \$20,000 as a contingency reserve for facility expenditures for the Gateway Visitor's Center in 2021, as well as \$4,000 in staff administrative costs to manage the grants and to process invoices.

Organization	Amount from 2020 Award Allocated for 2021
Centrum	\$ 2,489
Jefferson County Chamber of Commerce	\$ 5,000
Jefferson County Farmers Market	\$ 7,224
N. Hood Canal Chamber of Commerce & Visitor Center	\$ 20,000
Olympic Peninsula Gateway Visitor Center (JCHS)	\$ 10,465
Quilcene Historical Museum	\$ 11,215
Tourism Coordinating Council	\$ 63,550
TPA Jefferson County Farm Tour	\$ 7,500
TPA Olympic Pen. Apple & Cider Festival	\$ 4,250
Forks Chamber of Commerce for West End Visitor Center	\$ 4,470
JC Parks & Recreation Campground Op'n & Maint	\$ 9,023
Brinnon - Parks & Recreation District #2 - Shrimpfest	\$ 15,000
Port Ludlow Village Council Trails Committee	\$ 778
Quilcene Fair & Parade	\$ 10,000
TOTAL Carry Over from 2020 Awards Allocated to 2021	\$ 170,964

County Ordinance 02-0622-98 provides for distribution of Lodging Tax as follows:

- The lodging tax funds are to be used for targeted and/or regional promotion, the operation and maintenance of organizations operating tourist related facilities and their costs for local promotional activities.
- Not more than 25% for the development of tourism related facilities.

3. Definitions -

By state law, lodging tax funds may only be used for tourism promotion and the acquisition and/or operation, including maintenance, of tourism-related facilities. The following definitions are copied verbatim from RCW 67.28.080. Note: State law changed in 2007 to include "operation" of tourism events in the definition of "tourism promotion."

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

"Tourist" means a person who travels from a place of residence to a different town, city, county, state, or country, for purposes of business, pleasure, recreation, education, arts, heritage, or culture.

"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 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.

4. Proposal Evaluation Criteria –

Jefferson County Policy Statement for Use of the Lodging Tax.

Jefferson County's Lodging Tax Fund will be the primary source of county funding for activities, operations, and expenditures designed to increase tourism. The County does not make any multi-year commitments with Lodging Tax funds. However, service providers are not limited or prohibited from making repeat annual requests of the same nature. The County 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 Jefferson County Commissioners have created a Lodging Tax Advisory Committee to conduct an annual process to solicit and recommend Lodging Tax funded services for the County Commissioners consideration. Jefferson County will only consider proposals for use of the Lodging Tax from public and non-profit agencies.

The Fund will ONLY be used for the following purposes:

1. The promotion of emerging or on-going tourism events, facilities, and activities by government or non-profit agencies so as to attract and draw tourists to unincorporated Jefferson County from outside Jefferson County.
2. Operation of a tourism promotion agency (such as a visitor and convention bureau);
3. The marketing of special events and festivals designed to attract tourists to unincorporated Jefferson County from outside Jefferson County.
4. Capital and/or operating costs for tourism facilities owned by a public entity or a non-profit organization as defined in State law RCW 67.28.080.1(7) – *Tourism Related Facility*.
5. Administrative costs to support tourism events, facilities and activities.

Other Criteria.

HIGH PRIORITY will be given to tourism activities that ~

- Promote Jefferson County and/or events, activities, and places in the County to potential tourists from outside Jefferson County.

- Have demonstrated potential or high potential from the Committee's perspective to result in overnight stays by tourists in lodging establishments within the unincorporated areas Jefferson County.
- Have demonstrated potential or high potential from the Committee's perspective to result in documented economic benefit to Jefferson County.
- Have a demonstrated history of success in Jefferson County, 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 County-owned tourism facilities or infrastructure.

LODGING TAX ADVISORY COMMITTEE REVIEW CONSIDERATIONS ~

In developing its recommendations, the Committee considers:

- The estimated amount of lodging tax receipts for the coming year provided by the County Administrator's Office.
- Operational adaptations or pivots that ensure future organizational success of tourism related activities and promotion, in response to the COVID-19 pandemic.
- Thoroughness and completeness of the proposal.
- The relationship of proposed services to the areas of high priority identified by the Committee.
- Percent of the proposal request to the event/facility promotions budget and overall revenues.
- Percent of increase over prior year Jefferson County Lodging Tax funded proposal if any.
- Projected economic impact within the unincorporated Jefferson County, in particular projected overnight stays to be generated in lodging establishments in the unincorporated areas of Jefferson County.

- Requirements in State law for use of the tax, and the definitions in State RCW 67.28.080 for “tourism,” “tourist,” “tourism promotion,” and “tourism-related facility.”
- The applicant’s history of promotion success, reporting history and financial stability.
- Committee member general knowledge of the community and tourism-related activities.

NOT CONSIDERED are requests for ~

- Services to be provided beyond calendar year 2021.
- Proposals from for-profit businesses (however, a government or nonprofit agency contracting with the County may itself contract with for-profit businesses as third-party vendors).
- Promotional activities that reach a target audience solely located within Jefferson County.

NOTE:

1. On February 2, 2006, the State of Washington Attorney General’s Office issued Opinion #AGO 2006 #4, which clarifies that a municipality may **NOT provide advance payment** to private organizations for tourism promotion. Payment must occur after the services have been performed and documentation in keeping with the contract is submitted to the County.
2. The County may not pay for donated or volunteer services or pay more than the actual cost incurred by the contracting agency to provide the service.

5. Background Information –

Jefferson County’s Lodging Tax.

The Lodging Tax is an excise (sales) tax authorized by State law in RCW 67.28, *Public Stadium, Convention, Arts and Tourism Facilities*.

In 1998, the State Legislature amended Chapter 67.28 of the Revised Code of Washington (RCW) to allow local governments to assess an additional 2% tax on lodging for tourism promotion and/or tourism-related facilities (sometimes referred to as “the new 2%”). In April 1999, the County Commission, by Ordinance, increased the County’s Lodging Tax from a 2% to a 4% tax as allowed by RCW 67.28.

Jefferson County's Lodging Tax Advisory Committee.

Per RCW 67.28.1817, the State requires that local governments collecting the Lodging Tax establish a Lodging Tax Advisory Committee consisting of at least five (5) members:

The Chair – a member of the County Commission or their designee

2 members – representing the lodging industry

2 members – representing activities authorized to be funded by said tax

The Committee's role is advisory in nature, with the Committee's purpose being to advise the County Commissioners. The Committee must select the candidates from amongst the applicants applying for use of revenues and provide a list of such candidates and recommended amounts of funding to the County Commissioners for final determination.

In 1998, the Jefferson County Commissioners created such a Committee, and asked the Committee to establish an annual process to solicit and review proposals for tourism services eligible for lodging tax funding. Committee members are appointed by the County Commissioners as part of the County's regular advisory committee appointment process.

For additional information, contact ~

County Administrator

Jefferson County Courthouse

1820 Jefferson Street

PO Box 1220

Port Townsend, WA 98368

Ph: 360-385-9100; Fax: 360-385-9382

e-mail: pmorley@co.jefferson.wa.us

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