



2021 Lodging Tax/Tourism Promotion Funding Application and Guidelines

2021 funding requests are now being accepted by the City of Ritzville. Applications for 110 Lodging Tax/Tourism Promotion funding are **due October 9, 2020** to City Hall.

What is the Lodging Tax/Tourism Promotion Fund?

Funding for this program comes from the City of Ritzville's 110 Lodging Tax/Tourism Promotion Fund which receives taxes from lodging establishments inside the city limits. The City collects a four percent tax on charges for overnight lodging (2% is considered a basic hotel/motel tax and the second 2% is a credit against the sales tax that lodging establishments collect).

What Can be Funded with Lodging Tax Revenue?

Lodging taxes can be used for:

- tourism marketing,
- marketing and operations of special events and festivals,
- operations of tourism-related facilities owned or operated by nonprofit organizations,
- operations and capital expenditures of tourism related facilities owned by the City of Ritzville.

State Law Defining the Use of Lodging Tax

The Washington State Legislature enacted changes to the laws governing the use and reporting of lodging tax revenues with the passage of ESHB 1253 in the 2013 legislative session. These changes, in part, established requirements for reporting information on the use of lodging tax which have been incorporated into the Lodging Tax/Tourism Promotion application. Revised Code of Washington (RCW), Chapter 67.28 'Public Stadium, Convention, Arts and Tourism Facilities' provides detailed information about the use, award and reporting of tourism funds.

Important Terms Relating to RCW 67.28:

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

Tourism promotion: 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: 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.

Who May Apply?

The 2021 funding program is open to organizations with the demonstrated ability to achieve tourism goals as outlined below.

- Increase hotel occupancy in Ritzville by creating overnight stays.
- Increase overnight stays during the off season.
- Provide visitor attractions and/or promote the area's existing attractions.
- Attract more businesses to Ritzville and thereby generate additional business for hotels and motels.

Application Requirements

All organizations seeking funding under this program must:

- Submit the completed application form; and
- Operation budget for the activity/entity; and
- Estimate number of people predicted to attend each activity/event: and
- Estimate how funding the activity will result in increases to people staying overnight, travelling 50 miles or more, or coming from another state or country.

Applications must be received at Ritzville City Hall by **5:00 p.m. on October 9, 2020**. Please submit only one fully completed and signed original. All applications must be able to be clearly reproduced in black and white and mailed to Ritzville City Hall, 216 East Main Ave., Ritzville, WA 99169. Incomplete applications will not be considered by the Ritzville City Council.

Organizations awarded funds will be notified and required to execute a contractual agreement that will set out the performance expectations, level of funding and the mechanism for invoicing for payment.

Selection and Award Process

Funding of the program and specific awards are dependent on review and decision of the City Council. The Council will hold a special meeting **on October 20, 2020 at 5:30 p.m.** for applicants to present and provide additional information on their request. The City Council will recommend a list of candidates and funding levels that will be accepted and adopted as part of the 2021 Budget. **Funds will be awarded on a competitive basis**, and applicants will be notified following City Council decision.

The City Council will make awards based on the most competitive applications that meet the criteria for funding. For more information contact Julie Flyckt at 509-659-1930 or by email at julie.flyckt@ritzville-wa.us.

Reporting

Reporting requirements enacted by the Washington State legislature in 2013 requires the City to report to the State regarding the use of funds for the year. All recipients of lodging tax revenue, regardless of what the revenue is to be used for, **must submit a Lodging Tax report up to 60 days after the event** to the City describing the actual number of travelers generated. **The City will, as part of the contract with the recipients, require that the Lodging Tax report (see report template) be provided before reimbursement is dispersed.** The City will file an annual report to the State of Washington Joint Legislative Audit and Review Committee (JLARC).

2021 APPLICATION FOR 110 LODGING/TOURISM PROMOTION FUNDS

Name of Organization _____

Contact Person _____

Address _____

City, State, Zip _____

Day or message telephone (_____) _____

Project to be Funded: _____

Total Cost: \$ _____

Less Own Funding \$ _____

Requested Funding Amount \$ _____

- Briefly explain project to be funded and how it will benefit the City of Ritzville and meet the criteria. Please provide additional pages, prints, exhibits, etc. necessary to assist in the decision making process.
- Provide an operational budget for the activity/entity.
- Estimate the total number of people predicated to attend each activity/event.
- Estimate how funding the activity will result in increases to people staying overnight, travelling 50 miles or more, or coming from another state or country.

As a representative of the above organization, I have reviewed and acknowledge the information provided to be eligible and receive Lodging Tax Funds.

Signature

Date