

# City of Electric City

## 2023 Lodging Tax Funds

### General Information

#### INTRODUCTION

The objective of the Electric City Lodging Tax Advisory Committee Process is to support projects which encourage eligible tourism and cultural activities and support tourism facilities in Electric City. Eligibility of applications and projects is defined broadly to encourage wide participation and innovative proposals. The source of the funds is the City's share of lodging tax collected on overnight stays within Electric City. Electric City will only consider proposals for use of the Lodging Tax Fund from public and non-profit agencies. Disbursement of funds occurs post-event and is based upon completion of the Post Event Report.

**The general application period shall be open on March 28, 2023 and will close on April 10, 2023.**

#### PROJECT ELIGIBILITY

Legislation provides authority for cities to adopt a lodging tax of up to four percent. Electric City currently collects the maximum allowed by the law. The law allowed the use of lodging tax revenues in either of two broad categories: tourism promotion or tourism-related facilities.

1. **"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. RCW 67.28.080

2. **"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. RCW 67.28.080

#### 3. Use of Lodging Tax

(1) Lodging tax revenues under this chapter may be used, directly by any municipality or indirectly through a convention and visitor's 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. RCW 67.28.1816

**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 Electric City.
- Promote Electric City and/or events, activities, and places in Electric City to potential tourists from outside Grant County.

- Have demonstrated history or success in Electric City 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.

### **ELECTRIC CITY LODGING TAX ADVISORY COMMITTEE CONSIDERATIONS**

In developing its recommendation, the Committee considers:

- The estimated amount of Lodging Tax Fund available for the coming year as provided by the City's Treasurer.
- Its qualification for use of lodging tax revenues
- Thoroughness and completeness of the proposal
- Projected economic impact within Electric City, in particular, projected overnight stays in Electric City lodgings.
- Percent of the proposal request to the event/facility promotions budget and overall revenues.
- The applicant's history of tourism promotion success
- The applicant's financial stability

### **Application Instructions and General Guidelines**

**Application Deadline:** Friday, April 10, 2023 at 5:00p.m. – received at City Hall.

**To be eligible for consideration, your complete proposal must be received by the deadline. Incomplete and/or late applications will not be considered. Applications may not be changed or amended by the applicant after the deadline for submission.**

**Submit original and three copies to:**

City of Electric City  
 ATTN: Peggy Nevsimal  
 PO Box 130  
 Electric City, WA 99123

**Attach:**

1. Itemized budget for your event/activity/facility (income and expenses).
2. Description and budget showing how you intend to use the amount requested from Electric City.
3. A copy of your agency's current non-profit corporate registration with the Washington Secretary of State.
4. A copy of your organization's business plan, if you have one.
5. (Optional) Brochures (3 copies) or other information about your event/activity/facility, in particular, items showing recent tourism promotion efforts.

Proposals and all documents filed with the City are public records. The City may choose to post on its website copies of the proposals and attached documents.