



City of Anacortes 2020 Lodging Tax Funds Application

Background

Each year, the City of Anacortes solicits applications to fund projects that support and encourage tourism in the City. The funding source is the City's 4% tax on the furnishing of lodging within the City, called the "lodging tax."¹ Lodging tax revenue totals approximately \$350,000 annually. The average award is \$10,000 but typically varies from \$400 to \$123,000, and not all revenue is awarded each year. The City has a draft [Tourism Promotion Strategic Plan](#), which applicants are encouraged to read, that describes the City's priorities in allocation of lodging tax funds. For the 2020 funding cycle, the City is especially interested in new events that attract tourists during the months of January, February, and March.

Application Requirements

Applications must be submitted on this application form. A separate application form is required for each project. Application forms that are not fully complete will not be accepted.

- For recurring events, applications are due no later than 5 p.m. on Monday, September 30, 2019, and will be considered during the fall for funding starting January 1 of the following year. All applicants are encouraged to submit their applications by this deadline.
- For first-time or one-time projects, applications may be submitted at any time. The City may require 90 or more days to review and fund such an application, and funding may not be available until the following calendar year.

Via email (preferred):

as a native PDF to
joanns@cityofanacortes.org

Via US Mail:

Joann Stewart
Re: Lodging Tax Fund Application
PO Box 410
Anacortes WA 98221

In person:

Joann Stewart
City Hall
904 Sixth Street
Anacortes

Eligible Projects

State law directs and authorizes the City to spend lodging tax revenue on:

- (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; or
- (d) supporting the operations of **tourism-related facilities** owned or operated by nonprofit 501(c)(3) or (c)(6) organizations.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

¹ AMC Chapter 3.15 and RCW 67.28.181(2)(a).

² RCW 67.28.1816.

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.³

“Tourism” means economic activity resulting from tourists, which may include sales of overnight lodging, meals, tours, gifts, or souvenirs.⁴

Reporting Requirements

In recent years, the Legislature has added new requirements for use of lodging tax revenue. Applications must include estimates of how any moneys received will result in increases in the number of people traveling for business or pleasure on a trip:

- (i) away from their place of residence or business and staying overnight in paid accommodations;
- (ii) to a place fifty miles or more one way from their place of residence or business for the day or staying overnight; or
- (iii) from another country or state outside of their place of residence or their business.⁵

After using the lodging tax revenue, recipients must submit a report describing the actual numbers.⁶

Review of Applications

Consistent with state law, applications are reviewed by the City’s Lodging Tax Advisory Committee, which is appointed by the City Council and issues a recommendation on a funding amount to the City Council. The City Council can approve that amount, or a reduced amount.⁷ Awards are made via written contract. All contracts are reimbursement-based, i.e., the applicant must expend funds on approved items and then seek reimbursement under terms of the contract. No costs incurred prior to the execution of a contract can be reimbursed.

³ RCW 67.28.080.

⁴ RCW 67.28.080.

⁵ RCW 67.28.1816(2)(a).

⁶ RCW 67.28.1816(2)(c)(i)

⁷ RCW 67.28.1816(2)(b)(ii).

Application

Project Detail

Project name	Anacortes Visitor Center HVAC Replacement – Capital Cost Project
Date(s) of project	January 2020
Amount of funding requested	\$8328.00
Type of qualifying project	<input type="checkbox"/> Tourism Promotion/Marketing <input type="checkbox"/> Operation of a Special Event/Festival designed to attract tourists <input type="checkbox"/> Operation of a Tourism Promotion Agency <input checked="" type="checkbox"/> Operation of a Tourism-Related Facility owned or operated or non-profit organization <input type="checkbox"/> Operation and/or Capital Costs of a Tourism-Related Facility owned by a municipality

Applicant Detail

Applicant name	Anacortes Chamber of Commerce – Visitor Information Center
Type of applicant	<input type="checkbox"/> Individual <input checked="" type="checkbox"/> Non-profit corporation <input type="checkbox"/> Public agency <input type="checkbox"/> Other: enter text.
Federal tax ID #	91-0534761
Contact name	Sandy Swartos
Mailing address	819 Commercial Ave, Suite F – Anacortes, WA 98221
Email address	sswartos@anacortes.org
Phone	360-293-7911

Project Questionnaire

Describe your project.

Replace existing HVAC system in the Visitor Information Center

Describe with specificity what aspects of your project you would spend the requested funds on.

The system is antiquated and breaking down. Our service providers at DK Systems are unable to get parts to repair.

Promotion

Describe how you will promote your project to attract tourists.

Click here to enter text.

Describe how you will promote lodging establishments, restaurants, and businesses located in Anacortes.

Click here to enter text.

Budget

Describe the overall budget for your project.

\$11,800.00

What percentage of that budget are you requesting from the city?

\$8328.00

What would you cut from your proposed project if your application is not fully funded?

HVAC Replacement

Tourism-Impact Estimate

Provide the following estimates of the number of visitors to Anacortes as a direct result of your project. For recurring events, provide actual data from prior years. Leave blank if prior year data is not available.

	Estimate	Actuals		
	2020	month/year	month/year	month/year
Overall attendance	Enter ###.	Enter ###.	Enter ###.	Enter ###.
Number of people traveling more than 50 miles or more one way from their place of residence or business for the day or staying overnight	Enter ###.	Enter ###.	Enter ###.	Enter ###.
Number of people traveling from another country or state outside of their place of residence or their business	Enter ###.	Enter ###.	Enter ###.	Enter ###.
Number of people staying in PAID accommodations (e.g., hotel, motel, bed-and-breakfast) in Anacortes	Enter ###.	Enter ###.	Enter ###.	Enter ###.
Number of paid lodging room nights resulting from your project (e.g., 25 rooms on Friday and 50 rooms on Saturday = 75 room nights)	Enter ###.	Enter ###.	Enter ###.	Enter ###.

Describe methods you will use to track tourists for the purpose of mandatory reporting.

[Click here to enter text.](#)

Describe the prior success of your project in attracting tourists.

[Click here to enter text.](#)

Describe your target tourist audience (location, demographics, etc.)

[Click here to enter text.](#)

Attachments

Prior recipients for similar proposals must attach examples of ads, promotional materials, reports, or other materials they have generated with prior allocations of lodging tax funds.

List the titles of any attachments you have included with this application:

2020 VIC Capital Improvement Detail

Quote from DK Systems

Certification

- I am an authorized agent of the organization applying for funding.
- If awarded, my organization intends to enter into a Municipal Services Contract with the City; provide liability insurance for the duration of the contract naming the City as additional insured and in an amount determined by the City; and file for a permit to use City property, if applicable.
- I understand that the City will only reimburse those costs actually incurred by the Applicant and only after the service is rendered, paid for if provided by a third party, and a signed Request for Reimbursement form (or other form acceptable to the City) has been submitted to the City, including copies of invoices and payment documentation.
- I understand that the Applicant will be required to submit a report in a format determined by the City.

- I understand that all project activities must be identified in promotional and other business materials as having been funded by the City of Anacortes.
- I understand that once submitted, this application is a public record. The City may post part or all of it on the City website or provide it in response to public records request.

Signature	Sandy Swartos <small>TYPE NAME IN PLACE OF SIGNATURE IF SUBMITTING ELECTRONICALLY</small>
Printed name	Sandy Swartos
Title	Operations Director
Organization	Anacortes Chamber of Commerce

2020 VISITOR INFORMATION CENTER CAPITAL IMPROVEMENT

DESCRIPTION		CITY - 2% VIC	CHAMBER MATCH	INKIND	TOTAL
Capital Improvement					
Replacement of Heating/Cooling System in VIC		\$8,328	\$3,472		\$8,328
Totals		\$8,328	\$3,472	\$0	\$8,328



HEATING ■ AIR CONDITIONING ■
 REFRIGERATION DESIGN ■ CONTROLS ■ SERVICE
 ■ MAINTENANCE LIC. # DKSYST*982L1

D.K. Systems, Inc
 P O Box 886
 Burlington WA 98233

Office: (360) 755-1555
 Fax: (360) 588-2418

ATTN: Sandy Swartos
sswartos@anacortes.org

Project: Anacortes Chamber Mitsubishi HVAC Replacement

Scope: Replace existing Mitsubishi outdoor unit and two associated indoor units due to parts availability, support, condition and age of equipment. Reuse existing refrigeration lines and condensate lines. Reuse existing electrical circuits.

- 1ea. Mitsubishi M# MHP MXZ3C30NA2-U1 30K BTU outdoor unit. \$2,742.39
- 1ea. Mitsubishi M# MHP SLZKF12NA 12K BTU indoor unit. \$906.28
- 1ea. Mitsubishi M# MHP PLAA18EA7 18K BTU indoor unit. \$1,669.22
- 2ea. Trim grills for indoor units. \$754.68 / 2 = 337.34
- 2ea. Remote controllers. \$576.92 / 2 = 288.46
- Recycle old units. \$225.00 / 2 = 112.50
- Rental Equipment or Crane \$750.00
- Permit \$125.00
- Refrigeration line flush \$556.00
- Electrical Revisions \$1520.00 / 2 = 760
- Labor \$1,974.51 / 2 = 987.25
- Start/Test
- Warranty

Base Bid: \$11,800.00

VIC Total = \$8328.16

Darron Drake 360-770-0950
 5/1/2019

This proposal will become an agreement when accepted by the customer and signed by an authorized Representative of D. K. Systems, Inc.
 This proposal may be withdrawn if not accepted within 60 days.