

**AGENDA**  
**Clallam County Lodging Tax Advisory Committee**  
**September 26, 2017**  
**Clallam County Courthouse**  
**Rm. 150 Commissioners' Small Conference Room**  
**2:30 pm**

- I.      **CALL TO ORDER, ROLL CALL**
- II.     **REQUEST FOR MODIFICATIONS/APPROVAL OF AGENDA**
- III.    **APPROVAL OF MINUTES FOR THE MEETING OF MARCH 28, 2017**
- IV.     **OTHER BUSINESS**
  - **Budget update- What is the ending fund balance / expectations for next year**
  - **Discussion regarding distributing funds in 2018**
  - **Discussion whether to fund additional videos to complete Peninsula Area Public Access request**
- V.      **NEXT MEETING DATE**
- VI.     **ADJOURNMENT**

# **Clallam County LTAC – Hotel/Motel Tax Advisory Committee Minutes ... March 28th, 2017 2:30 p.m.**

**Committee Members present:** Chair Mark Ozias (Clallam County Commissioner), Vice Chair/Secretary Sande Balch (Juan de Fuca Scenic Byway Association), Linda Keen (Quillayute River Resort). Also present with reports: Debi Cook (Clallam County), Rich James (Clallam County) and Marsha Massey (OPVB).

**Call to Order:** The meeting was called to order by Chairman Mark Ozias at 2:30 pm.

**Agenda:** The agenda was accepted with the addition a Peninsula Trails Coalition/WSU Extension Office item under other business.

**Minutes:** The minutes of the January 24, 2017 meeting were accepted as presented.

## **Lodging Tax Revenue Update:** Debi Cook

Debi provided revenue and expenditure status reports for the Hotel/Motel tax account. Both income and expenses are in line with what would be expected for the first quarter of the year. Debi later brought in a comparison with the past three years for revenue income.

By computing the existing account balance plus expected income for the year and less the expected and approved expenditures, the committee determined that the fund balance at the end of the year should be about \$370,000. The approximate figure will help in determining the funds available to spend. This while also keeping in mind the possible need for funds to keep the public informed of access to the Olympic Peninsula as the Lake Crescent road project progresses.

## **Olympic Discovery Trail (ODT) Funding Request:** Rich James

As requested, Rich James presented a more detailed version of the original application with breakout portions of the project and the cost and funding requested. The ODT is a heavily used trail for bikes and pedestrians. The ODT is promoted by the Peninsula Trails Coalition, the OPVB and by the chambers of commerce on the Olympic Peninsula. With more trails available, the users are more likely to spend the night or multiple nights in the area. Cost above that of funding will come from the Clallam County Road Fund. The Peninsula Trails Coalition is fundraising for a trailhead near the Hwy 112/Gossett Road starting point. It is anticipated that work will be completed in 2017.

Olympic Discovery Trail - Hwy 112/Gossett Road to Waterline Road (5 miles of trail)

Option 1: Single Bridge and its two Abutments \$105,000

Option 2: Two 12 foot diameter by 45 foot long pipe structures \$36,000

## **Olympic Peninsula Visitor Bureau update:** Marsha Massey

Marsha presented a review of the 2016 promotional efforts for the Olympic Peninsula. Work in progress early in 2017... completing strategic planning, website development, conversion study, FAM tours, fall GeoTour, spring photo shoot, and the fall ad campaign. At this time there are no additional projects planned that would require additional lodging tax funding.

**Neah Bay Chamber of Commerce:** Commissioner Ozias reported that he had a conversation with Melissa Peterson-Renault concerning her request of consideration of funding to the Neah Bay Chamber of Commerce. Neah Bay has about 100,000 visitors per year. The chamber has 30 members, is funded through membership fees and fundraising, runs on a \$5000 budget with an office provided/funded by the tribe and run by volunteers. The expenses are for brochures, website, and scholarships.

The OPVB has provided funds, intended to be seed funds, for Neah Bay to participate in OPTC as represented by the chamber. But no further funding from Neah Bay was forthcoming. Neah Bay continues to be represented in the promotions as it is an important asset to the area.

Smaller requests for funds would usually be directed to apply through the Tourism Enhancement Grant (OPVB program). Tribal businesses are not required to pay lodging tax. It was suggested that Commissioner Ozias and Marsha Massey from OPVB have a discussion with the new business manager for the tribe to provide information on what the OPTC does in promotion and try to work out a way that Neah Bay can be a participant.

Outstanding/on hold funding requests: Peninsula Area Public Access may come back with a product (film of Clallam County historic sites) to share and request additional funds (not to exceed the remaining \$18,000 of original request).

✓ **Funding Recommendation to BOCCC: Olympic Discovery Trail**

Fund Option 1: Single Bridge and two abutments ... in the amount of \$105,000.

**New Lodging Tax Advisory Committee member applications:** Three applications have been submitted since our January meeting.

2/3/17 ... Vanessa Fuller, Dungeness River Audubon Center, Sequim ... recipient

2/14/17 ... Jay Vincent, Aramark, Port Angeles ... collector

3/1/17 ... Lorrie Mittmann, North Olympic Land Trust, Port Angeles ... recipient

All three applications were impressive and all three applicants appear to be highly motivated people interested in the Olympic Peninsula and its communities.

✓ **Appointment Recommendation to BOCCC:** Accept all three applications and make appointments in the following manner:

✓ Appoint Vanessa Fuller and Jay Vincent to LTAC for terms beginning in 2017.  
This will result in a total of 2 recipients and 2 collectors on the current LTAC.

✓ Appoint Lorrie Mittmann to LTAC for term beginning in 2018.

This will fill Sande Balch's place as a recipient next year. Lorrie could be invited to come to the 2017 fall LTAC meeting to be acquainted with decisions made that impact 2018 funding. Choice of placement for Vanessa and Lorrie based on date of application.

**Vacation Rentals/Airbnb discussion:** Commissioner Ozias

Public comment has been received. A public hearing meeting will take place on April 11<sup>th</sup> (10:30am) to consider the draft ordinance designed to provide clarity and consistency in the rules regarding these rentals and designed to help inform both the businesses and those who rent.

**Peninsula Trails Coalition/WSU Extension Office:** Commissioner Ozias

There is a trails conference that draws about 300 participants scheduled for 2018. A steering committee including PTC and WSU Extension has been formed to consider making an application to host the conference in Port Angeles. They may need some funding and may not be able to meet the application date for the OPVB Tourism Enhancement Grant program. Commissioner Ozias will keep us informed.

**Other ...**

Marsha Massey was not sure if Port Angeles can meet the requirements for lodging and for meeting space necessary for hosting the conference. The steering committee will find that out if that is the case when they explore the application requirements.

Marsha Massey also commented that the OPVB is in a discussion with the WSU Extension Office concerning agri-tourism.

Commissioner Ozias noted that the North Olympic Development Council (Clallam and Jefferson counties) is exploring economic development and environmental related projects. Currently funding is being pursued to apply for development of an Electric Charging Loop on the Olympic Peninsula. Former Clallam County Commissioner, Mike Doherty, is part of this group.

The meeting was adjourned at 4:30pm.



**LODGING TAX FUNDING APPLICATION  
2017**

**GUIDELINES**

Clallam County lodging tax paid by visitors is a consumer tax on lodging charges for periods of less than 30 consecutive days for hotels, motels, rooming houses, private campgrounds, RV parks, and similar facilities within the unincorporated areas of Clallam County.

This application is for applicable large-scale events, projects or infrastructure improvements only. Minimum grant is \$5,000. Please do not use this application if your organization has already made application for the same project to the Olympic Peninsula Visitor's Bureau or any individual city's Lodging Tax Committees.

**I AMOUNT of Lodging Tax Requested: \$** \_\_\_\_\_

**II Agency/Organization Name:** \_\_\_\_\_

Organization is  Government Entity  501(c)3  501(c)6  Other

Federal Tax ID No. \_\_\_\_\_ UBI Number \_\_\_\_\_

**III Project/Activity/Event:** \_\_\_\_\_

**IV Representative Contact Information:**

Name, Title \_\_\_\_\_

Mailing Address \_\_\_\_\_

Phone(s) \_\_\_\_\_

Email \_\_\_\_\_

**V Service Categories, check all applicable:**

\_\_\_\_\_ Tourism Promotion/Marketing

\_\_\_\_\_ Operation of a Special Event/Festival designed to attract tourists

\_\_\_\_\_ Operation of a Tourism-Related Facility owned or operated by Non-Profit Organization

\_\_\_\_\_ Operation and/or Capital Expenditure of a Tourism-Related Facility owned by a Municipality

**CERTIFICATION**

- I am the authorized agent of the Agency/Organization applying for Lodging Tax funding. I understand and affirm that:
- If awarded, my organization intends to enter into a contract with Clallam County, and meet all specified requirements of that contract.
- My Agency/Organization is required to submit a report documenting economic impact results in a format determined by Clallam County.

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_

\_\_\_\_\_  
Print or Type Name

**LODGING TAX APPLICATION – REQUIRED SUPPLEMENTAL QUESTIONS**

*(You may use this Supplemental Questions form or type the questions and answers on separate sheets)*

1. How will the project/program help increase the number of people traveling to Clallam County for business or pleasure on a trip?

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2. How will the project/program help increase paid overnight accommodations in Clallam County?

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3. How will the project/program encourage visitors to come from a distance greater than 50 miles, either for the day or for an overnight visit? If so, please describe how.

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4. How will the project/program encourage visitors to come from another country or state?

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5. If the project/program is an event, please provide the name, date(s) and estimated attendance.

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**6. 2017 Tourism-Impact Estimate and 2016 Annual Report.**  
 (2016 Actual must be completed by applicants who had a Clallam County Lodging Tax Contract in 2016)

State law governing the distribution of lodging tax funds requires they be used primarily to encourage visitors from out of the area, so do your best!

| As a direct result of your proposed tourism-related service, please provide:   | 2017 Estimate | 2016 Estimate | Methodology |
|--|---------------|---------------|-------------|
| a. Overall attendance at your event/activity/facility  |               |               |             |
| b. Number of people who travel more than 50 miles for your event/activity/facility   |               |               |             |
| c. Of the people who travel more than 50 miles, the number of people who travel from another country or state.   |               |               |             |
| d. Of the people who travel more than 50 miles, the number of people who stay overnight in the unincorporated Clallam County area.   |               |               |             |
| e. Of the people staying overnight, the number of people who stay in PAID accommodations e.g. hotel, motel, bed-breakfast, RV park, in the unincorporated Clallam County area. |               |               |             |
| f. Number of paid lodging room nights resulting from your event/activity/facility.   |               |               |             |

7. Is there a host hotel for your event? If yes, please identify.

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8. Describe the prior success of your event/activity/facility in attracting tourists.

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

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10. Describe how you will promote your event/activity/facility to attract tourists.

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11. Describe how the event will help promote lodging establishments, restaurants, and businesses located in the unincorporated area of Clallam County.

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12. Are you applying for Lodging Tax funds from another community (yes or no)? If yes, attach a copy of the other jurisdiction(s) application(s).

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13. What is the overall budget for your event/activity/facility? \$ \_\_\_\_\_  
What percent of the budget are you requesting from Clallam County Lodging Tax Fund? \_\_\_\_\_%

14. Please describe your plans for securing the remainder of the funds necessary to complete your event/activity/facility.

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## APPLICATION INSTRUCTIONS – GENERAL GUIDELINES

**APPLICATION DEADLINE:** December 30, 2016, 4:30 p.m., Board of County Commissioner's Office, 223 East 4<sup>th</sup> Street, Suite 4, Port Angeles WA 98362-3015 (Clallam County Courthouse, main level, Room 150); 360-417-2233.

The Clallam County Lodging Tax Advisory Committee (LTAC) will review 2017 Lodging Tax funding proposals in a public meeting as determined at the Clallam County Courthouse, Commissioner's Boardroom, main level. Applicants will be notified and attendance by the applicant's representative is recommended for presentation and questions. Following review, LTAC will forward its recommendation to the Board of County Commissioners.

### **APPLICATION, SUPPLEMENTAL QUESTIONS, INFORMATION SUBMITTAL:**

Submit the original application and one copy to:  
Clallam County Lodging Tax Advisory Committee  
Board of Commissioner's Office  
223 East 4<sup>th</sup> Street, Suite 4  
Port Angeles WA 98362-3015

**Required Additional Information** – In addition to the application and supplemental questions answers, it is required that you attach the following:

- An itemized budget for your event/activity/facility (income and expense).
- Description and budget showing the intended use of the amount requested from the Clallam County Lodging Tax Fund.
- If the applicant is a non-profit organization, a copy of your agency/organization's current non-profit corporate registration with the Washington Secretary of State, and current annual budget.

**Optional Information** - Brochures/information concerning your event/activity/facility, in particular, items showing recent tourism promotion efforts.

**Contract Requirement** – In order to be a recipient of Lodging Tax funds, a contract is required between Clallam County and the receiving Agency/applicant.

### **Post Reporting**

Reporting Requirements enacted by the Washington State Legislature in 2013 (RCW 67.28.1816) requires the County to file an annual report to the State of Washington Joint Legislative Audit and Review Committee regarding the use of funds for the year including a requirements to quantify how many individuals were attracted from more than fifty miles away and spent the night in paid lodging, and the reporting of expenditures and activities shall meet those requirements. It is required that all recipients submit a post-event activity report that provides information to the Clallam County Administrator as specified by the contract.

## **GUIDELINES**

Clallam County lodging tax paid by visitors is a consumer tax on lodging charges for periods of less than 30 consecutive days for hotels, motels, rooming houses, private campgrounds, RV parks, and similar facilities within the unincorporated areas of Clallam County. CCC 5.13.020 Special fund.

### **Eligibility**

Clallam County's Lodging Tax Fund will be the primary source of County funding for activities, operations, and expenditures designed to increase tourism in the unincorporated areas. Applications may be submitted by any non-profit entity, any public entity, or any group of eligible organizations (RCW 67.28).

### **Appropriate Uses**

The guiding principle for the use of lodging taxes is that they must be used for activities, operations and expenditures designed to increase tourism. Specifically, lodging taxes can be used for:

- Tourism marketing;
- Marketing and operations of special events and festivals designed to attract visitors;
- 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/operated by nonprofit organizations (RCW 67.28.1816).

A tourism-related facility is a real or tangible personal property with a usable life of three or more years, or constructed with volunteer labor that is (a) owned by a public entity, nonprofit organization (including a non-profit 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) The guiding principle is that the facilities should be used by tourists.

Tourism Marketing and Operations includes activities defined as "tourism promotion" in state law (RCW 67.28.080)

- Advertising, publicizing, or otherwise distributing information for the purpose of attracting and welcoming visitors;
- Developing strategies to expand tourism;
- Operating tourism promotion agencies; and
- Funding the marketing or operation of special events and festivals designed to attract visitors.

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 visitors in lodging establishments within unincorporated Clallam County.
- Promote Clallam County events, activities, and places in the unincorporated area of Clallam County to potential visitors from outside the County.
- Have demonstrated a high potential from the Committee's perspective to result in documented economic benefit to Clallam County.
- Have demonstrated history of success in Clallam 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 Considerations**

In developing its recommendations, the Committee considers:

- The estimated amount of Lodging Tax Fund available for the coming year as provided by the County's Finance Director.
- Completeness of the proposal information.
- % of the proposal request to the event/facility promotions budget and overall revenues.
- % of increase over prior year Clallam County Lodging Tax funded proposals, if any.
- Projected economic impact within the unincorporated area of Clallam County, in particular projected overnight stays in this area lodging establishments.
- The applicant's financial stability.