



CITY OF SHELTON LODGING TAX ADVISORY COMMITTEE EVALUATION CRITERIA & ALLOCATION PROCESS

LODGING TAX

State law provides authority for cities and counties to adopt a lodging tax of up to four percent (4%). The City of Shelton currently collects the maximum allowed by the law. The law allows the use of lodging tax revenues in tourism promotion and operations of events and tourism-related facilities.

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

“Tourism Promotion” is defined as activities 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 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 and used to support tourism, performing arts, or to accommodate tourist activities.

The criteria listed below constitute the standards by which the City of Shelton Lodging Tax Advisory Committee (“LTAC”) judges applications for Lodging Tax Funds. Some events, activities, programs, organizations or facilities will not be able to meet all criteria. However, the more criteria met the stronger the application.

COMMUNITY ECONOMIC IMPACT

Potential positive economic impact of tourism on the community is a significant benefit that can be measured. In its most fundamental effect, tourism impacts the community’s economy through the dollars brought to and spent in the City of Shelton. Overnight stays generate more revenue than day visits.

The total impact can be measured in terms of direct dollar expenditures made by the visitors themselves and indirect dollar expenditures made as the money moves through the community. In evaluating applications for lodging tax funds, more weight will be given to the former since it is more readily measureable.

In assessing the probable economic impact of the proposal, the LTAC will consider:

- The estimated number of visits to be generated
- The estimated number of overnight stays to be generated
- The duration of the event, activity or program
- The event’s generation of economic activities during off-peak tourism seasons or periods
- The use of local firms and resources in the proposed event, activity, program or facility



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- New or first time events or activities
- The number of visitors coming from 50 miles away or more
- The number of visitors coming from out-of-state or country

RESOURCES AVAILABLE FOR EVENT OR FACILITY

Applicants should not expect LTAC funds to cover the complete cost of a proposal. The applicant should identify other community capital and/or labor sources to ensure project success. Multiple-year funding of projects will be considered, but it is more difficult to obtain.

PROPOSALS SHOULD BUILD ON IDENTIFIED COMMUNITY ASSETS

The LTAC will give special consideration to proposals that utilize community assets such as natural amenities, public facilities, festivals, events and activities that distinguish Shelton in the region, state and nation. Community assets promote the City's positive image.

The Committee will consider whether the proposal promotes outdoor recreation and heighten awareness of the area's history and natural amenities.

PROPOSALS SHOULD MEET COMMUNITY OBJECTIVES

Events, projects, activities and facilities that serve the broader community will be given preference. The Committee will assess whether the proposal furthers the success of, and coordinates with, scheduled community events, facilities and community promotion and marketing efforts.

PROPOSALS MUST MEET THE REQUIREMENTS OF THE LODGING TAX LAW

If you have question about whether your proposal meets the requirements of the Lodging Tax Law, please contact the City of Shelton Administrative Support Assistant at (360) 432-5131.

THE GENERAL APPLICATION PERIOD SHALL BE OPEN ON AUGUST 1ST AND CLOSE ON AUGUST 31ST

At the request of the City Council, or LTAC's discretion, grant applications may be considered at other times of the year. However, because of the City's budget cycle and the Committee's preference to review grant applications simultaneously and comparatively, the likelihood of gaining approval outside of the primary application period is diminished.

APPLICATION REQUIREMENTS

To be considered, application must be complete, adhere to the specified format, and be submitted with six (6) copies of all components.



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ELIGIBILITY

Each applicant will be required to concisely define the service to be provided through the proposed project and demonstrate how it will do so. Essential to this process will be establishing that the project, if funded, will be in compliance with state statutes governing the use of Lodging Tax revenues.

SCOPE OF WORK

The applicant will be required to submit a scope of work that describes the project in detail.

TIMELINE

The elements and the scope of work must be keyed to milestones indicating when each will be undertaken and/or completed.

BUDGET

The project budget will include both the revenue and expense categories. All income (including in-kind) will be broken out by amount and source and expenses will be itemized. A cash flow projection for the calendar year showing cash needs by quarter must be provided.

REIMBURSEMENT

The applicant must understand that the City's support for funded projects is on a reimbursement basis. No funds will be advanced in support of a project. Grantees must incur costs and then bill the City for reimbursement under contract guidelines.

FINAL REPORT/PERCENTAGE WITHHELD

Payment for twenty percent (20%) of the total reimbursable cost for any funds due the grantee will be withheld until a final written report is received by the Administrative Support Assistant, and the grantee presents an oral report to the City Council describing the success of the event and establishing how it meets requirements for lodging tax funding.

HISTORY

Applicants will be required to provide a brief history of their program/organization.

SELECTION PROCESS

When the application solicitation period opens, the City will inform interested applicants of the funding process and its eligibility criteria. After the solicitation period closes, qualifying applications will then be forwarded to the LTAC for review. The LTAC will recommend to the City Council projects/events to be funded and at what level. The City Council will make the final decision on project/event approval and funding. After the applicants and the City have signed the contract, the project/event can proceed. It is



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very important that applicants are aware that only after the following steps are complete is a project grantee authorized to incur reimbursable costs.

1. All contracts are reimbursement based (the grantee must expend funds on approved items and then seek reimbursement under terms of the governing contract)
2. No costs incurred prior to the City's signing of a contract for an approved project will be reimbursed

The City of Shelton does not discriminate on the basis of race, religion, color, sex, national origin, marital status, familial status, age, sexual orientation and disability in employment or the provision of services.