

## CITY OF FIFE LODGING TAX FUNDING AGREEMENT

1. **Parties and Date.** This Agreement is made this 1<sup>st</sup> day of January, 2013, between the City of Fife, a Washington municipal corporation ("City") and **Fife Historical Society**("Recipient").

2. **Recitals.**

2.1 The City collects a tax known as the Lodging Tax and deposits the revenues from the Lodging Tax into a special fund to be used solely for paying for tourism promotion and for the acquisition and/or operation of tourism relate facilities.

2.2 After receiving recommendations from the Lodging Tax Advisory Committee, the City Council has allocated **\$5,000** of the Lodging Tax fund in the City's 2013 Budget to Recipient for the activities set forth in Exhibit A attached hereto, which is an allowed use of Lodging Tax revenue under RCW 67.28.1815.

2.3 In consideration of the terms, conditions and covenants contained herein, the parties agree as follows.

3. **Scope of Work.** Recipient shall perform the activities set forth in Exhibit A ("Scope of Work") attached hereto during the term of this Agreement, for the purpose of attracting tourism business to the City.

4. **Term.** This Agreement shall be effective on January 1, 2013, and shall terminate on December 31, 2013, unless earlier terminated pursuant to Section 13 of this Agreement. Sections 6, 10, 14 and 19 of this Agreement shall survive termination of this Agreement.

5. **Compensation.** The City shall provide from Lodging Tax revenues, an amount not to exceed **\$5,000** in funding (the "Funds") to Recipient to perform the Scope of Work. However, funding for this Agreement is subject to the actual Lodging Tax funds received by the City. **If Lodging Tax receipts are lower than budgeted, funding may be decreased.** Within ten days after the end of each calendar quarter, Recipient shall submit a billing statement detailing how activities and services performed by Recipient during the preceding quarter have specifically promoted tourism in the City, including measurable results. Upon receipt of a conforming billing statement, the City shall promptly process payment. If a billing statement does not conform to this Agreement, the City may withhold payment until the statement is brought into compliance. Such withholding does not relieve the recipient of its obligations under this Agreement. Failure by Recipient to submit conforming billing statements by January 10<sup>th</sup> after the expiration of this Agreement will result in the forfeiture of remaining unbilled compensation.

6. **Auditing.** The Recipient shall maintain books, records, documents and other materials that sufficiently and properly reflect all expenditures made pursuant to this Agreement. The City shall have full access and the right to examine and copy, during normal business hours, all of the records of the Recipient with respect to matters covered in this Agreement. Such rights shall last for six (6) years from the date the disbursement is made hereunder.

7. **Compliance with Federal, State and Local Laws.** The Recipient agrees to abide by all applicable federal and state statutes and regulations pertaining to the subject matter of this Agreement, including without limitation RCW 67.28.1815, which provides that lodging tax revenues may be used solely for the purpose of paying all or a part of the cost of tourism promotion, acquisition of tourism-related facilities, or operation of tourism-related facilities, as such terms are defined in RCW 67.28.080.

8. **Collaborative Marketing and Promotion.** During the term of this Agreement the Recipient agrees to cooperate and work collaboratively with the City's marketing department and the Fife Chamber of Commerce for the common goal of attracting tourism business to the City.

9. **Reporting.** Within ten days after the end of each calendar quarter, Recipient shall furnish to the City a quarterly report detailing the use of the Funds provided under this Agreement, and such supporting information as the City may require. Such reports and documents shall include, if applicable, a list of festivals and special events sponsored by Recipient with the amount of revenue expended on each festival, special event or tourism-related facility, the estimated number of tourists and/or persons traveling over fifty miles to the destination, and the estimated number of lodging stays generated per festival of tourism-related event. Recipient shall maintain accounting records in accordance with Generally Accepted Accounting Principles (GAAP) to substantiate all billed amounts.

10. **Reimbursement of Funds.** Recipient warrants that the Funds received under this Agreement shall be used solely for purposes permitted under this Agreement and agrees to repay to the City any Funds found to have been used for some purpose other than those permitted herein.

11. **Nondiscrimination.** Recipient agrees not to discriminate against any employee or applicant for employment or any other person in the performance of this Agreement because of race, creed, color, national origin, marital status, sex, age, disability, or other circumstance prohibited by federal, state, or local law or ordinance, except for a bona fide occupational qualification.

12. **Independent Contractor.** The Recipient is and shall be at all times during the term of this Agreement an independent contractor and not an employee of the City. Any and all employees of the Recipient, while engaged in the performance of any work or services required by the Recipient under this Agreement, shall be considered employees of the Recipient only and

not of the City. As an independent contractor, the Recipient shall be responsible for the reporting and payment of all applicable local, state, and federal taxes.

**13. Termination.** The City may terminate this Agreement immediately by written notice thereof to the Recipient if the tax itself is repealed by appropriate authority or in the event the Funds are not used in compliance with the provisions of this Agreement and/or Chapter 67.28 RCW, as determined by the City or the State of Washington. Further it is agreed that either party may terminate this Agreement for any reason upon giving the other party at least ninety days prior written notice thereof.

**14. Indemnification and Hold Harmless.** The Recipient shall defend, indemnify and hold the City, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of or in connection with the performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

**15. Assignment.** Neither the Recipient nor the City shall have the right to transfer or assign, in whole or in part, any or all of its obligations and rights hereunder without the prior written consent of the other Party.

**16. Waiver.** Failure to insist upon strict compliance with any terms, covenants or conditions of this Agreement shall not be deemed a waiver of such, nor shall any waiver or relinquishment of such right or power at any time be taken to be a waiver of any other breach.

**17. Applicable Law; Venue.** This Agreement shall be construed and interpreted in accordance with the laws of the state of Washington and, in the event of dispute, the venue for any action brought hereunder shall be in Pierce County Superior Court.

**18. Severability.** If any phrase, sentence or provision of this agreement is held invalid by a court of competent jurisdiction, such invalidity shall not affect the remainder of this Agreement, and to this end the provisions of this Agreement are declared to be severable.

**19. Attorneys' Fees.** In the event that the City is required to institute a lawsuit against the Recipient to enforce any of the terms of this Agreement and the City prevails in such lawsuit, the Recipient agrees to reimburse the City for its reasonable costs, expenses, attorneys' fees and expert witness fees, including such costs, expenses and fees incurred in any appeal.

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20. **Entire Agreement.** This document contains all covenants, agreements and stipulations of the parties on the subject matter expressed herein. No changes, amendments or modifications of the terms of this Agreement shall be valid unless reduced to writing and signed by the duly authorized representatives of both parties as an amendment to this Agreement.

**RECIPIENT:**

**Fife Historical Society**

By: Molly S. Wilmoth  
Molly Wilmoth, Executive Director

**THE CITY:**

City of Fife, Washington

By: David K. Zabell  
David K. Zabell, City Manager

**ATTEST:**

Carol S. Etgen  
Carol Etgen, City Clerk

**APPROVED AS TO FORM:**

Gregory F. Amann  
Gregory F. Amann  
Assistant City Attorney

**EXHIBIT A  
SCOPE OF ACTIVITIES**

**See Attached Application.**



## Request for Proposal: Activities to increase Tourism in Fife

### 1. Name and Address of Applicant (Organization)

Name of Organization: Fife Historical Society

Address: 2820 - 54th Avenue East, Fife, WA

Form of Organization: 501(c)3 Museum

Website Address: http://sites.google.com/site/fifeh

Agency Tax ID#: 912124475

UBI#: 602088191

### 2. Contact Person:

Name: Molly Wilmoth

Phone: 360.791.8047

Fax: \_\_\_\_\_

E-mail: molly.wilmoth@gmail.com

### 3. Description of Activity:

The Fife Historical Society maintains and operates the Fife History Museum and Dacca Barn. Both activities increase tourism to the community. We are focusing on the promotional benefit of the Dacca Barn. This tourism-related facility hosts, and has the capability to host, events such as weddings, receptions, birthdays, fundraisers, reunions, anniversaries, festivals, association meetings, conventions, and retreats. This year, the Fife Historical Society is looking to increase tourism to the City of Fife by outfitting the Dacca Barn with a projector and screen for permanent use as well as creating promotional materials about the Barn's amenities and funding the contracted employee to create and distribute promotional materials. The Fife Historical Society also plans on working more closely with the Fife Chamber of Commerce in order to promote the Dacca Barn as a rental facility. The Chamber and the Society agree these upgrades will attract the aforementioned groups from outside of Fife.

Will there be an admission charge for this activity?  No  Yes If yes, how much \$ 125/hour barn use

### 4. Proposed Funding:

Can you operate this project with reduced funding?  No  Yes

If yes, list priorities: 1) Contracted Salary 2) Promotional Materials 3) Projector/Screen

Priority 1 - full funding \$ 15,000.00 Priority 2 - partial funding (no less than) \$ 10,000.00

### 5. Continuing/New Activity:

Is this a new or continuing activity?  New  Continuing

If continuing, last years City funding received. \$ 50,000

Do you expect this to be an annual activity, requiring regular and continued funding?  No  Yes

## 6. Time Frame

Is this a seasonal activity appropriate to its location?    No    Yes

If an outdoor activity, are there any weather related constraints?    No    Yes

If yes, what constraints are there? \_\_\_\_\_

## 7. Benefits to City Tourism:

Describe how this activity attracts, serves and facilitates overnight tourism in the City of Fife. For example: Does it lodge or feed tourists; promote tourism; provide for the sale of gifts, souvenirs or other items, or provide programs? Entertainment for tourism? If so, how? Does it provide some other short or long-range economic benefit? Will a tourist facility be constructed? Thoroughly define and quantify the expected results of the activity described in question 3 above.

While the Fife History Museum does provide entertainment for tourists to the City of Fife, our focus in terms of LTAC funding this year will be on the Dacca Barn. The Barn has the ability to host a wide array of events and activities, including, although not limited to, weddings, receptions, anniversaries, birthdays, fundraisers, reunions, festivals, retreats, conventions, and association meetings. By obtaining a projector with a projection screen, hiring a contracted employee, and creating promotional materials, the Fife Historical Society will draw tourism, as well as assist other tourism promotion agencies, through rental of an updated facility. Not only would the Dacca Barn be available for rental to outside individuals and organizations, but would also be an asset to the community as a facility with new amenities. This last year, organizations including the Lion's Club, Fife Police Department, Bountiful Baskets, and World Vision, as well as dozens of individuals have rented the Dacca Barn for over 15 various events and hosted over 1200 people. While still very satisfied with the Dacca Barn as their rental choice and planning on renting the barn again, World Vision had to transport and setup their own projector for one of their meetings. By including a projector and screen to the infrastructure of the barn, it would be more easily marketable to other organizations for meetings and retreats, or to individuals for receptions and parties. Through funding a contracted employee to create promotional materials and contact organizations, the Fife Historical Society would be promoting a touristic view of Fife and contribute to putting more "heads in beds". The Society will also work more closely with the Fife Chamber of Commerce in order to promote the rental facility and Fife as a tourist city. The Society looks forward to cultivating a stronger relationship with local hotels to ensure renters of the Dacca Barn will choose a Fife hotel for their stay.

The Fife Historical Society, with the assistance of the funding for its desired materials, plans to rent the Dacca Barn to at least 20 organizations and individuals and estimate that at least 10 to 20% of individuals attending events at the Dacca Barn would stay at a local hotel. During a post-rental interview of renters for the purpose of a wedding and reception indicated that out of 90 guests, at least 20, if not 30, individuals stayed overnight at local hotels. While the renter did not consider speaking to a local hotelier regarding the acquisition of a block of rooms, the Fife Historical Society hopes to work with hoteliers in situations like these to get more heads in beds. Data will be collected throughout next year via a required renter's survey to be filled out after the renter's event to demonstrate the impact renting the Dacca Barn had on promoting Fife as a tourist destination and how many individuals filled hotel rooms as a direct effect of visiting the Dacca Barn.

# City of Fife RFP Proposal

## Budget

(For this proposal only. Not for entire agency)

**INCOME:**

If you are anticipating receiving partial funding for this activity from another source, please list the source, approximate amount, and the status of funding. Are you seeking hotel/motel taxes from other sources?

Amount	Source	Projected or confirmed date (If projected, date funds are anticipated)

Total Income: \_\_\_\_\_

What percentage of your project does your request for City funds represent?     100 %

**Expense:**

ACTIVITY	CITY OF FIFE FUNDS	OTHER FUNDS	TOTAL
Personnel (salaries & benefits)	_____	_____	_____
Administration (office expense)	_____	_____	_____
Marketing/promotion	\$1,000.00	_____	\$1,000.00
Travel	_____	_____	_____
Consultants (specify below)	\$9,000.00	_____	\$9,000.00
Construction	\$5,000.00	_____	\$5,000.00
Other activities (specify below)	_____	_____	_____
<b>TOTAL COSTS:</b>	<u>\$15,000.00</u>	_____	<u>\$15,000.00</u>

Priority 1 (full) funding \$15,000.00

Priority 2 (partial) funding \$10,000.00

Describe any budget items unspecified in the previous page and explain the differences in the amount listed as funding priorities 1 and 2.

- 1) Contracted Employee -- \$9,000.00
- 2) Promotional Materials -- \$1,000.00
- 3) Projector/Screen -- \$5,000.00

The applicant hereby certifies and affirms: 1. That it does not now, nor will it during the performance of any contract arising from this application, unlawfully discriminate against any employee, applicant for employment, client, customer, or other person who might benefit from said contract, by reason of age, race, color, ethnicity, sex, religion, creed, place of birth, or degree of handicap: 2. That it will abide by all relevant local, state and federal laws and regulations and 3. That it has read the information contained in pages 1,2 and 3 and understands and will comply with all provisions thereof.

Certified By: (signature): \_\_\_\_\_

(Print or type name): Molly S. Wilmoth

Title: Managing Director, Fife History Museum

Date: 8/15/2012