

EXPIRED

Town of Friday Harbor
2026 Lodging Tax Grant Program



Request for Proposals:
Activities to encourage tourism in Friday Harbor
INFORMATION

Contact: Lodging Tax Advisory Committee (LTAC)
c/o Julie Greene
60 Second Street / PO Box 219, Friday Harbor, WA 98250
(360) 378-2810 / julie@fridayharbor.org

2026 LODGING TAX GRANT ALLOCATION DEADLINES:

Optional application deadline for pre-screening assistance	Tuesday, September 2, 2026
Application submittal deadline	Monday, September 8, 2026
Applicant proposal presentations to LTAC	Wednesday, September 24, 2026
LTAC recommendations presented to Council (date subject to change)	Thursday, October 16, 2026

The Lodging Tax Grant Program provides funding to individuals and organizations that promote tourism activity in the Town of Friday Harbor. The Town Council established the program in accordance with the Revised Code of Washington (RCW) 67.28, and Friday Harbor Municipal Code (FHMC) Chapter 3.36. The source of funds is the second two percent (2%) of the four percent (4%) excise tax collected on lodging sales within the town. The amount of grant funding available each year is determined by the Town Council and fluctuates in proportion to lodging use. Grant recipients receive their funds as reimbursement for documented and paid expenses incurred within the designated grant year.

Purpose of this Request for Proposals (RFP)

The purpose of this RFP is to solicit grant funding proposals from agencies and groups actively engaged in the promotion and enhancement of tourism within the town of Friday Harbor during the 2026 calendar year. The Town encourages wide participation and innovative proposals. **Preference will be given to fall/winter/spring tourism activities.** Summer activities may be acceptable; however, those scheduled for historically high-traffic weekends are not advised.

Eligibility of Applicant

Applications may be submitted by any for-profit or non-profit entity, public agency, or group of individuals including public and private agencies such as museums and galleries, historical societies, art groups, and tourism advocate groups. The Town does not discriminate based on race, color, national origin, religion, sex, sexual orientation, marital status, age, disability, or other protected status.

Eligibility of Proposal per State Law

State law allows the use of lodging tax revenues for the following: Tourism marketing, marketing and operations of special events and festivals designed to attract tourists, support of the operation of tourism-related facilities owned or operated by non-profit organizations, and support of the operation and capital expenditures of tourism-related facilities owned or operated by a municipality. Detailed information about the use of tourism funds is available in RCW Chapter 67.28, as amended by Engrossed Substitute House Bill (ESHB) 1253 in 2013. Definitions of terms relating to this RCW include the following:

Tourism: Economic activity resulting from tourists which may include sales of overnight lodging, meals, tours, gifts, or souvenirs.

Tourism promotion: 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 or operation of special events and festivals designed to attract tourists.

Tourism-related facility: 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; owned by a nonprofit organization described under section 501c3 or 501c6 of the federal internal revenue code of 1986, as amended; or

owned by a business organization, destination marketing organization, main street organization, lodging association, or chamber of commerce and (b) used to support tourism or performing arts or to accommodate tourist activities.

Eligibility of Proposal per Town Requirements

In addition to meeting the above requirements of the State statute, grant applicant proposals must meet the following Town criteria.

- Promote or facilitate tourism within the town of Friday Harbor. Applications for projects taking place outside of the town limits may be considered if they clearly provide a reasonably significant economic benefit to the town.
- Intend to increase tourism in 2026. Expenditures made prior to signing the grant contract or for activities or promotions taking place before or after 2026 cannot be reimbursed with 2026 grant funds.
- Be of no more than one year's duration and/or one year's budget.
- Be able to obtain appropriate event permitting and business licensing if required by the Town's municipal code. Town staff will advise the LTAC and Town Council if proposals are found to be inconsistent with the FHMC (e.g., a regional poker tournament is prohibited per municipal code).
- Meet acceptable expense parameters. In addition to off-island advertising and promotion, examples of acceptable expenses might include fees for performers, their travel, and venue rental provided the event is intended to bring overnight visitors. Non-operational expenses are preferred over ongoing operational expenses such as salaries. Examples of unacceptable expenses include but are not limited to resale items, prizes, gift baskets, food, drink, fundraising, and membership drives.

Selection Process

The Lodging Tax Advisory Committee (LTAC) is appointed by the Town Council in accordance with FHMC Chapter 2.66 as an advisory body authorized to make recommendations to the Town Council regarding annual grant allocations funded with revenue from the second two percent (2%) of the Lodging Tax.

The LTAC reviews each application for eligible activities and projected effectiveness of proposals in meeting the expected outcomes, needs, and funding requirements. Applicants are encouraged, but not required, to make a verbal presentation to the LTAC (see page two (2) of this document for presentation meeting date). LTAC recommendations are not subject to challenge.

The LTAC makes recommendations to the Town Council which then authorizes the amount and use of these funds. Prior to Council authorization, applicants are informed of the LTAC recommendations and may choose to address the Council directly during the Public Access portion of a Town Council meeting. The Council may adopt, amend, or disregard the LTAC's recommendations at the Council's discretion. The Council reserves the right to review all applications and to fund requests made outside of this application process.

Conflict of Interest No member of the LTAC shall make or vote on recommendations nor use their position to influence the LTAC or Town Council if they are directly financially benefited by the funding of any application during this grant cycle (e.g., applicant's proposal specifically directs customers to an LTAC member's business). If a member discloses a potential conflict of interest to the LTAC prior to the allocation of funds, the committee may authorize or prohibit the member's participation in the recommendation process. Conflict of interest is defined by the Revised Code of Washington.

Selection Criteria

Grant funds allocated for proposals are expected to result in a return on the economic investment to the community. The LTAC will take the following into consideration when reviewing applications:

- Will the proposal attract off-island visitors? Is it likely to extend individual lodging stays? What other elements of the Town's economy could it impact?
- Will it encourage tourism during the off-season (winter/spring/fall)?
- How and where will it be marketed? Is there specific, prominent promotion of the town? Is there inter-organizational coordination and cooperation with other events and marketing programs?
- Is this a new, unusual, innovative, and/or proven approach to tourism promotion?
- Is the proposal well-structured? Can it be completed within the year? Have the steps and deadlines been outlined? Are the goals measurable and attainable? How will they report tourist attendance as required by the State?
- Is this an efficient, economical use of LTAC funds? Is the event big enough to provide a reasonable return on investment? What is the degree of financial participation by the applicant?

Contract and Reimbursement

Grantees will sign a contract with the Town of Friday Harbor. By law, the contract must include a provision for the grantee to report the amount of tourism generated from the grant investment (see *Reporting Requirement* below). Liability insurance of at least \$1 million with the Town identified as an additional insured on the policy is required unless waived by the Town Administrator. Grant funds are disbursed as reimbursements after the grantee provides documentation of the paid expense: a numbered invoice to the Town detailing each expense, copies of itemized receipts and invoices for these expenses, proof of payment of the expenses, and copies of advertisements and marketing materials purchased. The Town Finance Department monitors expenses for compliance. A valid Form W-9 is required prior to reimbursement. All requests for reimbursement of 2026 expenses must be submitted no later than January 10, 2027. Expenses incurred prior to execution of a written contract with the Town will not be reimbursed. **NOTE:** The awarding of a grant does not constitute blanket approval of a grantee's proposal and budget as submitted. Allowable uses of grant funds will be detailed in Exhibit A of the contract. The Town reserves the right to determine whether an expense meets its reimbursement requirements.

Reporting Requirement

Grantees must report their event's visitor attendance information to the Town of Friday Harbor per RCW 67.28, as amended by ESHB 1253 in 2013. This requirement applies to every proposal that receives LTAC funding. The attendance data is considered public record and will be reported to the State of Washington.

Grantees are provided a Visitor Attendance Report form to complete and submit upon completion of each proposed activity or event. Grantees are responsible for submitting all 2026 visitor reports to the Town no later than January 31, 2027. If exact attendance figures cannot be determined, grantees must complete reports using good faith attendance estimates and explanations of how these figures were determined. Reports must include the following information:

- The total amount spent on the proposed activity or event and the amount of LTAC funds received.
- The total number of attendees, the number who traveled over 50 miles, and the number from out of state.

- The number of attendees who stayed overnight with family or friends, the number who stayed in paid accommodations, and the total number of paid lodging nights generated by the event.
- The method(s) used to collect attendance data and specific details of how it was collected.

Grant Program Management

Lodging Tax grant management is the responsibility of the Town Administration. Staff coordinates the application process, grant selection, and attendance reporting. The Town Finance Department monitors contract compliance and reimburses LTAC-funded expenses to grantees.

Application Requirements

- A separate application is required for each Proposal.
- The application must identify one designated individual to act as the contact for the duration of the proposed activity or event; that person must have authority to obligate all sponsoring parties.
- If the Proposal involves co-sponsors, a written commitment must be submitted from each co-sponsor and signed by a person with authority to obligate that sponsor.
- Tax exempt charitable, religious, or educational organization must submit a copy of their IRS letter recognizing this status.
- Informal organizations may be required to provide proof of a designated bank account, staff accountant, or partnership with a formal organization.

Optional Application Pre-Screening

Applicants are encouraged to contact the Town for technical advice relating to their applications prior to the submission deadline. As a courtesy, Town staff is available to review applications for completeness and required criteria provided that the applications are submitted on or before the prescreening deadline listed on page two (2) of this document.

Applicants will be notified of the findings by email. If the application is found to be complete, it will be submitted to the LTAC. If the application is incomplete, the applicant must complete the application no later than the LTAC deadline listed on page two (2) of this document.

Submittal Instructions

- Proposals should be letter-sized, typed, and **printed on one side**.
- Proposals should **not be stapled or bound**.
- Supporting materials should be limited to those documents that are essential to the clarification of the application (e.g., example advertisements). Do not include tax returns. Do not include the RFP.
- Proposals and all supporting materials must be submitted on or before the deadline listed on page two (2) of this document. No supplemental materials or information will be accepted after the deadline. Samples of marketing pieces may be displayed or distributed during the oral presentations as examples of past or proposed advertising. Promotional gifts will not be accepted.
- Submit one electronic and eight (8) hard copy applications to julie@fridayharbor.org and Town of Friday Harbor LTAC, 60 Second Street/PO Box 219, Friday Harbor, WA 98250.

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Town of Friday Harbor

2026 Lodging Tax Grant Program



APPLICATION

Submit application to: Lodging Tax Advisory Committee (LTAC)
c/o Julie Greene
60 Second Street / PO Box 219, Friday Harbor, WA 98250
(360) 378-2810 / julie@fridayharbor.org

TOWN OF FRIDAY HARBOR 2026 LTAC APPLICATION

Applicant Information				
Business Status:	<input type="checkbox"/> Non-Profit*	<input type="checkbox"/> For-Profit	<input type="checkbox"/> Other (explain):	<i>*Documentation required</i>
Funding Requested for:	<input type="checkbox"/> Marketing	<input type="checkbox"/> Event	<input type="checkbox"/> Facility	<input type="checkbox"/> Designated Marketing Organization
Applicant/Organization Name:				
Mailing Address:				
City:	State:	Zip:		
Signing Authority for Contract:		Phone Number:		
Contact Person:		Phone Number:		
Contact Person Email:				
Proposal Information				
Title of Proposal:				
Brief Description of Proposal:				
Date(s) of Activity/Event:		Amount Requesting from 2026 LTAC: \$		
Tourism Promotion (Attach additional pages as needed)				
How will your Proposal attract, serve, and/or facilitate tourism in the Town of Friday Harbor? (e.g., promote travel to Friday Harbor, promote retail sales, provide tourist entertainment, encourage longer stays and return visits, provide other specific short or long-term economic benefits)				
How and where will you market your Proposal to increase the number of off-island visitors to the Town of Friday Harbor?				
How will you measure the amount of visitor traffic generated by your marketing and/or event? (See examples on Visitor Attendance Report Form)				
Have you worked with the Chamber of Commerce, Visitors Bureau, or other local businesses to promote your Proposal? YES <input type="checkbox"/> NO <input type="checkbox"/>				
How will you go about coordinating your Proposal and its event date(s) with these other organizations and their proposals and promotions?				

Proposal Budget Summary

EXPENSES

Attach a detailed project budget and complete this summary

	TOWN LTAC FUNDS	Other Funds	Total
Personnel (salaries and benefits)	\$	\$	\$
Administration (e.g., rent, utilities, phone, taxes, supplies, copies, etc.)	\$	\$	\$
Marketing/Promotion	\$	\$	\$
Travel	\$	\$	\$
Consultants (explain duties)	\$	\$	\$
Other Activities (explain)	\$	\$	\$
TOTAL COSTS:	\$	\$	\$

What percentage of your overall Proposal budget would the Town funds represent? _____ %

Can you complete this Proposal with reduced funding? YES NO Please explain: _____

OTHER INCOME (sponsorships, grants, donations, admission fees, etc.)

If you anticipate receiving partial funding for this activity from another source, please list the source(s), approximate amount, and status of funding.

Source	Amount	Confirmed or Projected? If projected, include the anticipated receipt date.
	\$	
	\$	
	\$	
	\$	
TOTAL OTHER INCOME:	\$	

Other Financial Information	
Could the proposed activity, event, or facility increase its revenues? YES <input type="checkbox"/> NO <input type="checkbox"/>	
If so, explain how (e.g., charging admission, increasing fees, etc.):	
If applicable, explain how the proposed activity, event, or facility will endeavor to become self-supporting in the future:	
Signature Required	
<p>The applicant certifies that it 1) 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, national origin, sex, religion, degree of handicap, or other protected status; 2) will abide by all relevant local, state, and federal laws and regulations; and 3) has read the information contained in this application and understands and will comply with all provisions contained in this application and the request for proposals.</p>	
Signature	Date

APPLICATION CHECKLIST

- Completed, signed application (letter-sized, typed, printed on **one** side, not stapled/bound; do not include copies of the RFP)
- 2026 visitor attendance report projections
- Detailed project budget (this is in addition to the budget summary on the application form)
- Supporting materials, if applicable (e.g., example advertisements)
- If applicable, IRS letter regarding tax exempt status
- If applicable, a commitment letter from each co-sponsor

APPLICATION SUBMISSION (One electronic copy and eight (8) hard copies)

Submit application packet **by 4:30 pm Monday, September 8, 2025** (or September 2nd for pre-review)

Electronic submission: Send to julie@fridayharbor.org. Subject line “2026 LTAC Grant Application.”

Hard copy submission: Mail or deliver to Town of Friday Harbor LTAC, 60 Second Street, P.O. Box 219, Friday Harbor, WA 98250

PROPOSAL PRESENTATION

Applicants are encouraged to present their proposals to the LTAC on **Wednesday, September 24, 2025**, in Town Council Chambers, 60 Second Street, Friday Harbor, WA 98250. It is **highly recommended** that the presenter be a knowledgeable representative of the organization, capable of answering detailed questions about the proposal and the organization (e.g., staff member, board member, or other stakeholder).

Note: No supplementary information or documentation will be accepted after the application deadline. However, applicants may display or distribute sample marketing pieces as part of their oral presentation. No promotional gifts will be accepted.

COMPLETE AND SUBMIT THIS PROJECTION REPORT WITH YOUR LTAC APPLICATION.

(Grant recipients will be required to complete a similar report showing actual attendance figures after the completion of your 2026 event.)

TOWN OF FRIDAY HARBOR 2026 LTAC VISITOR ATTENDANCE REPORT (PROJECTIONS ONLY)

YOUR ORGANIZATION: _____

NAME of Event, Facility, or Marketing Proposal: _____

DATE(S) your activity will occur: From _____ through _____

AMOUNT you are requesting from LTAC: \$ _____

Projected <i>Number, not percentage</i>	Methodology* and Explanation <i>Choose your method from list at bottom of page AND explain how you intend to collect the data.</i>
1. Total anticipated attendance: # of people at your event, using your facility, or brought to the island due to your mktg efforts _____ People	Method _____ Explain _____
2. How many visitors will come from over 50 miles away? _____ People	Method _____ Explain _____
3. How many visitors will come from another state or country? _____ People	Method _____ Explain _____
4. How many overnight visitors will stay with family/friends? _____ People	Method _____ Explain _____
5. (a) How many overnight visitors will stay at PAID accommodations? _____ People (b) This will result in how many total paid lodging nights? (Consider multiple nights, double occupancy, etc.) _____ Nights	Method _____ Explain _____ Method _____ Explain _____

- * **Direct Count** – e.g., paid admissions, head count, chair or vehicle count, figures collected from a hotel/restaurant/tour guide.
- * **Indirect Count** – e.g., raffle tickets sold, redeemed coupons, brochures handed out, police requirements for crowd control, visual estimate.
- * **Representative Survey** – Highly structured data collection based on random sample survey that includes a margin of error and confidence level which allows the results to be reliably projected over all attendees.
- * **Informal Survey** – Unstructured survey with results that cannot be reliably projected over all attendees. For example, information is taken only from volunteer participants, or it's only offered at one time/place rather than throughout the event.
- * **Structured Estimate** – Figure is based on computing known information about an event or location such as the maximum legal occupancy (one person per three square feet).
- * **Other** – Please describe.