

RESOLUTION 2014 - 88



ORIGINAL

**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF SUNNYSIDE, WASHINGTON, AUTHORIZING
PROFESSIONAL SERVICES AGREEMENT FOR
TOURISM PROMOTION SERVICES WITH
THE SUNNYSIDE CHAMBER OF COMMERCE**

WHEREAS, the City of Sunnyside published a request for proposals for the use of Lodging Tax Funds on September 26, October 3 and October 10, 2014; and

WHEREAS, the Lodging Tax Advisory Committee reviewed said proposals on October 23, 2014, November 5, 2014 and December 10, 2014 as required by RCW 67.28; and

WHEREAS, the City Council of the City of Sunnyside authorized an appropriation be made to the 2015 budget in the amount of \$81,000; and

WHEREAS, the City of Sunnyside and the Sunnyside Chamber of Commerce wish to enter into an agreement to cover the costs associated with tourism promotion; and

WHEREAS, the City Council finds and determines that approval of such agreement is in the best interests of residents of the City of Sunnyside and will promote the general health, safety and welfare.

NOW THEREFORE, IT IS HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUNNYSIDE, WASHINGTON, as follows:

Section 1. That the Agreement, attached hereto as Exhibit "A" and incorporated herein by this reference, is hereby approved; and the City Manager is hereby authorized to execute the contract and other documents necessary to accomplish such acceptance.

Section 2. This Resolution shall be effective upon passage and signatures hereon in accordance with law.

PASSED this 15th day of December, 2014.



JAMES A. RESTUCCI, MAYOR

ATTEST:



DELILAH SAENZ, GMC, CITY CLERK

APPROVED AS TO FORM:



KERR LAW GROUP, PLLC
Attorneys for the City of Sunnyside

AGREEMENT FOR TOURISM SERVICES
By and Between
CITY OF SUNNYSIDE
And
SUNNYSIDE CHAMBER OF COMMERCE

THIS AGREEMENT is made and entered into this 16th day of December, 2014, by and between the CITY OF SUNNYSIDE, a municipal corporation, and SUNNYSIDE CHAMBER OF COMMERCE, for the uses and purposes provided herein and below.

I. Recitals

A. CITY OF SUNNYSIDE, hereafter called "City," is a municipal corporation of the State of Washington, with City Hall located at 818 East Edison Avenue, Sunnyside, Washington 98944.

B. SUNNYSIDE CHAMBER OF COMMERCE, hereafter called "Chamber," is an entity formed and existing to promote economic and cultural development of the City of Sunnyside. The Chamber maintains business offices at 451 South Sixth Street, Sunnyside, Washington 98944.

C. The City has adopted and implemented a transient occupancy tax authorized pursuant to Chapter 67.28 RCW and City Ordinances codified at Chapter 3.28 of the Sunnyside Municipal Code as the "Transient Occupancy Tax." State statute has since been amended to allow expenditure of such transient occupancy tax revenues for advertising and tourism promotion services as described in the parties' original Agreement as well as certain costs of operation and maintenance of tourism facilities and operate special events and festivals subject to appropriate documentation of services rendered and received.

D. Chamber is able to provide for advertising and other services allowed by statutes governing the use of proceeds from the Hotel/Motel Tax, to promote and encourage tourism within the City.

E. City and Chamber desire to enter into an Agreement for calendar year 2015 to provide for advertising services by the Chamber, together with certain costs of operation and maintenance of Chamber facilities and tourism-related operations and operate special events and festivals, utilizing funds from the Transient Occupancy Tax fund as described below.

II. Agreement

WHEREFORE, in consideration of the mutual covenants, conditions and promises herein, the parties agree as follows:

A. Scope and Purpose. The purpose of this Agreement is to provide for tourism promotion and advertising services, in compliance with the uses and purposes of state statutes and City codes governing use of Transient Occupancy Tax proceeds, by the Chamber for and on behalf of the City. The Chamber will develop and organize advertising campaigns that promote the City in accordance with the proposals attached hereto as Exhibits "A", "B", "C" and "D" incorporated herein by this reference.

B. Payment by City. The City shall reimburse Chamber for tourism-related operating and advertising costs and operation of special events incurred by Chamber in providing the services associated with tourism described below:

<u>Project Title</u>	<u>Funded Amount</u>
Tourism Promotion or Tourism-related Facility	\$45,000
Cinco de Mayo event	\$25,000
Sunshine Days	\$ 1,000
Lighted Farm Implement Parade	<u>\$10,000</u>
TOTAL	\$81,000

Payment of any such amount is conditioned upon the following:

- 1) Each Chamber request for reimbursement shall be accompanied by a copy of the itemized invoice(s) or bill(s) for advertising services purchased or allowed costs of operation and maintenance of Chamber tourist-related facilities and operations (invoices received that are not itemized will NOT be reimbursed); and
- 2) If the reimbursement is sought for advertising expenses, one copy of the advertisement(s), or other media copy acceptable to City, purchased by Chamber for which reimbursement of costs is requested.

C. Restriction on Expenditures. The Chamber understands that this agreement is governed by the restrictions mandated for use of Lodger's Taxes and all expenditures are subject to full disclosure to the City in order to show compliance with said requirements. The Chamber further understands that all expenditures shall be for the purpose of promoting tourism into the City of Sunnyside. The Chamber shall provide documentation in support of its efforts. The Chamber further agrees to cooperate with and furnish any requested documents to the State Auditor upon request.

The City reserves the right to reject all or any portion of any request for reimbursement if, in the sole opinion of the City, such expenditure is not authorized by this Agreement or applicable law.

EXHIBIT "A"

D. Reports to City. Chamber shall report on the status of Chamber projects, fund-raising efforts, tourism promotion programs or campaigns, and any other information or reports deemed necessary or appropriate by the City.

E. Access to Records of Chamber. Chamber agrees to provide access to City, its authorized agents and regulatory agencies, to Chamber records pertaining to expenditure of funds and funded programs authorized pursuant to this Agreement. Such access shall be promptly scheduled at times convenient to the Chamber during normal work hours. Records created pursuant to this Agreement may be considered public records pursuant to Chapter 42.56 RCW and Chamber agrees to provide reasonable assistance to City in producing records to requesting parties.

F. Term of Agreement – Effective Date of Amendment. This Agreement shall be for a term of one year, commencing January 1, 2015 and terminating December 31, 2015, unless sooner terminated by either party as described in section G below.

G. Early Termination. This Agreement may be terminated by either party upon thirty (30) days advance written notice delivered to the other party. In the event of early termination, requests for reimbursement for advertising expenses incurred prior to the date Notice of Termination is delivered shall be processed in accordance with the procedures described in Section B(2) above. Any expenditure by Chamber for advertising or other service occurring between the date of delivery of such notice and effective date of termination of the Agreement shall be reviewed and subject to prior approval by City.

H. Entire Agreement. This Agreement constitutes the entire agreement of the parties, and shall not be modified or amended except in writing signed by both parties.

I. Dispute Resolution. In the event of a dispute arising between the parties regarding the enforcement, breach, or interpretation of this Agreement, the Parties shall first meet in a good faith effort to resolve the dispute, however, with or without agreed mediation. Any remaining dispute shall be resolved by binding arbitration pursuant to RCW 7.04A, and the Mandatory Rules of Arbitration, with venue placed in Yakima County, Washington, and the arbitrator shall award to the substantially prevailing party, judgment for its attorney fees and costs against the other. In the event of de nova review, both parties waive their rights to a jury trial.

WHEREFORE, this Agreement is deemed executed on the date first referenced above.

CITY OF SUNNYSIDE

SUNNYSIDE CHAMBER OF COMMERCE

By: _____
Donald D. Day, City Manager

By: _____
Teri Alvarez-Ziegler, President

EXHIBIT "A"

ATTEST:

By: _____
Delilah Saenz, CMC, City Clerk

ATTEST:

By: _____
Pam Turner, Executive Director

EXHIBIT "A"

Sunnyside Chamber of Commerce/Tourism/Visitor Information

Tourism Related Facility

501C(6)

Tourism Promotion

Develop strategy to expand tourism

Operate a tourism promotion agency

Non-Profit

Sunnyside Chamber of Commerce

451 S. 6th Street/PMB 360

Sunnyside, WA 98944

509-837-5939

www.sunnysidechamber.com

Pam Turner

Executive Director

Phone: 509-837-5939

Fax: 509-837-8015

pturner@sunnysidechamber.com

Continuing Activity/Service

Previously funded-Yes

\$45,000 for 6+ years

This is an annual request to require continued lodging tax funds.

Time frame – Long Term 4+ Years

Date: 1/1/2015 – 12/31/2015

No Conflict

No Compliment

EXHIBIT "A"

The SSCC continually works on positively promoting Sunnyside, finding ways to promote visitors to come to Sunnyside to stay and enjoy our community.

The SSCC does not directly feed tourists

The SSCC continually works on positively promoting Sunnyside, finding ways to promote visitors to come to Sunnyside to stay and enjoy our community. Our goal is for people to visit Sunnyside and spend money in our community.

Many people will visit stores in town. We hope that visitors will purchase items when they are in the stores.

Our 3 main events along with several other smaller events provide entertainment and a reason to come to Sunnyside.

Hopefully the economic benefit is long term.

250 paid overnight stays overall

4,100 stays in unpaid stays

46,000 day only

Funding Request

Amount Requested - \$47,000

Can you operate with reduced funding – Yes

Priority 1 - \$47,000

Priority 2 - \$45,000

Income - Projected

Membership - \$19,000

Chamber Banquet - \$3000

Total - \$22,000

EXHIBIT "A"

Expenses

Personnel – \$42,000		
LTAC – \$27,000		Other - \$15,000
Administration – \$19,000		
LTAC - \$12,000		Other - \$7,000
Marketing – \$8,000		
LTAC - \$8,000		
Total	\$69,000	
LTAC - \$47,000		Other - \$22,000

Difference between Priority 1 & 2

Priority 1-Will allow the SSCC to expand marketing strategies.

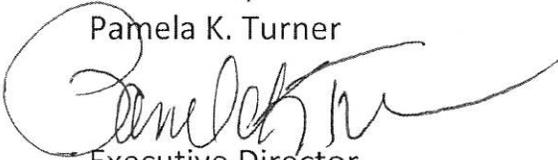
Priority 2-SSCC will continue with the current marketing strategies.

% of lodging funds –74.5% (Approximately)

If funds are not available we would have to find donations and funding from wherever we could find it, otherwise the SSCC would have to close the doors or be run by volunteers.

Certified by:

Pamela K. Turner



Executive Director

10/15/2014

EXHIBIT "B"

Cinco de Mayo Festival

Tourism Promotion

Advertising, publicizing, information distribution

Fund a special event or festival (marketing and/or operations)

Non-Profit

Sunnyside Chamber of Commerce

451 S. 6th Street/PMB 360

Sunnyside, WA 98944

509-837-5939

www.sunnysidechamber.com

Pam Turner Executive Director

509-837-5939

509-837-8015

pturner@sunnysidechamber.com

Continuing Activity/Service

Previously funded-Yes

10,000-20,000 for 6+ years

This is an annual event to require continued lodging tax funds.

Time frame – Long Term 4+ Years

Date: 1st weekend in May

No Conflict

No Compliment

Cinco de Mayo is a very popular event in Sunnyside, attracting 25,000+ people from all over. Many people come to this event for authentic flavor it has.

EXHIBIT "B"

Cinco de Mayo feeds and hosts tourists, they come to eat and enjoy the events during the weekend. Many people come from long distances and stay overnight.

Cinco de Mayo promotes tourism as it brings people from all over to experience the food, music & attractions.

Many people will visit stores in town. We hope that visitors will purchase items when they are in the stores.

Cinco de Mayo has many regional & national performers along with the Charro competition and parade.

Hopefully the economic benefit is long range, especially for Spring.

100 paid overnight stays
2000 stays in unpaid stays
23,000 day only

Funding Request

Amount Requested - \$25,000

Can you operate with reduced funding – No

Priority 1 - \$25, 000 Priority 2 - \$20,000

Income - Projected

Vendor Spaces - \$26,000

Sponsors - \$10,000

Total - \$36,000

EXHIBIT "B"

Expenses

Marketing – \$15,000
Construction - \$10,000 – setting up/ laying out the event
Other Activities - \$36,000 – Entertainment, Security, etc.
Total \$61,000

Difference between Priority 1 & 2

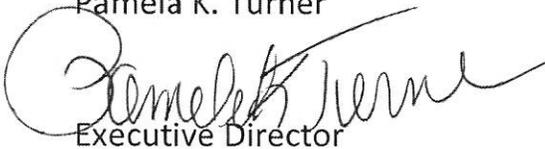
We bring in the entertainment, this will make the difference of the type of bands/entertainment we can bring. Which in-turn brings more people to the event.

% of lodging funds - 45%

If funds are not available we would have to find sponsors to keep this event going.

Certified by:

Pamela K. Turner

A handwritten signature in black ink, appearing to read 'Pamela K. Turner', written over the printed name.

Executive Director

10/15/2014

EXHIBIT "C"

Sunnyside's Sunshine Days

Tourism Promotion

Advertising, publicizing, information distribution

Fund a special event or festival (marketing and/or operations)

Non-Profit

Sunnyside Chamber of Commerce

451 S. 6th Street/PMB 360

Sunnyside, WA 98944

509-837-5939

www.sunnysidechamber.com

Pam Turner Executive Director

509-837-5939 509-837-8015

pturner@sunnysidechamber.com

Continuing Activity/Service

Previously funded-Yes

10,000-20,000 for 6+ years

This is an annual event to require continued lodging tax funds.

Time frame – Long Term 4+ Years

Date: 3rd Weekend in September

No Conflict

No Compliment

The Sunshine Days has the potential to grow into a large event bringing in people from all over. The Miss Sunnyside Pageant, Regal Majesty Pageant & 5K/10K bring in overnight visitors.

EXHIBIT "C"

The Miss Sunnyside Pageant, Regal Majesty Pageant & 5K/10K bring in overnight visitors. Visitors come to eat and enjoy the events during the weekend.

Sunshine Days hopes promotes tourism as it brings people from all over to experience and enjoy Sunnyside.

Many people will visit stores in town. We hope that visitors will purchase items when they are in the stores.

The Miss Sunnyside Pageant, Regal Majesty Pageant, 5K/10K, parade and vendors provide entertainment.

Hopefully the economic benefit is long term.

20 paid overnight stays
100 stays in unpaid stays
500 day only

Funding Request

Amount Requested - \$7,500

Can you operate with reduced funding – No

Priority 1 - \$7,500 Priority 2 - \$7,000

Income - Projected

Vendor Spaces - \$1,125

Total - \$1,125

EXHIBIT "C"

Expenses

Marketing – \$3,100

Construction - \$500 – setting up/ laying out the event

Other Activities - \$5,000 – Entertainment, Security, etc.

Total \$8,600

Difference between Priority 1 & 2

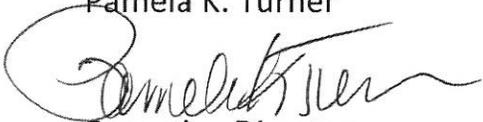
The type of entertainment we can bring.

% of lodging funds - 80%

If funds are not available we would have to find sponsors to keep this event going.

Certified by:

Pamela K. Turner

A handwritten signature in cursive script, appearing to read "Pamela K. Turner".

Executive Director

10/15/2014

Sunnyside's Lighted Farm Implement Parade

Tourism Promotion

Advertising, publicizing, information distribution

Fund a special event or festival (marketing and/or operations)

Non-Profit

Sunnyside Chamber of Commerce

451 S. 6th Street/PMB 360

Sunnyside, WA 98944

509-837-5939

www.sunnysidechamber.com

Pam Turner Executive Director
509-837-5939 509-837-8015
pturner@sunnysidechamber.com

Continuing Activity/Service

Previously funded-Yes

5,000-10,000 for 6+ years

This is an annual event to require continued lodging tax funds.

Time frame – Long Term 4+ Years

Date: 1st Saturday in December, 6:30PM

No Conflict

No Compliment

The Lighted Farm Implement Parade (LFIP) is the most popular event in Sunnyside, attracting 25,000+ people from all over the country. This event is on many peoples "to do" list!

EXHIBIT "D"

The LFIP feeds and hosts overnight tourist, they come and eat before and after the parade, the restaurants in Sunnyside are packed when the parade ends. Many people come from long distances and stay overnight.

The LFIP promotes tourism as it has been on national television and in national publications, the LFIP is the tourist draw.

Many people will visit the craft fairs and stores in town. We hope that visitors will purchase items when they are in the stores.

The LFIP is the attraction (entertainment) for this event. Hopefully the economic benefit is long range, especially for December.

100 paid overnight stays
2000 stays in unpaid stays
23,000 day only

Funding Request

Amount Requested - \$10,000

Can you operate with reduced funding – No

Priority 1 - \$10, 000 Priority 2 - \$10,000

Income - Projected

Plaque Sponsors \$1,200
Port of Sunnyside \$1,000
Banner Bank \$5,000

Total - \$7,200

EXHIBIT "D"

Expenses

Marketing - \$8,000

Construction - \$2,000 – Items for setting up/ laying out the parade

Other Activities - \$7,200 – Giveaways for the entrants, etc.

Total \$17,200

Difference between Priority 1 & 2

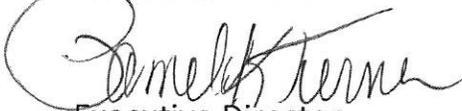
This event really cannot work on less than the requested amount, as we try grow and improve this event the costs will go up.

% of lodging funds - 60%

If funds are not available we would have to find sponsors to keep this event going.

Certified by:

Pamela K. Turner

A handwritten signature in cursive script that reads "Pamela K. Turner". The signature is written in black ink and is positioned to the left of the printed name.

Executive Director

10/15/2014