

General Information

City of Airway Heights Policy Statement for Use of the Lodging Tax Fund

The City of Airway Heights Lodging Tax Fund will be the primary source of City funding for activities, operations and expenditures designed to increase tourism. The City does not make any multi-year commitments for tourism promotion services. However, service providers are not limited or prohibited from making annual requests of the same nature.

The City intends to maintain a reserve in the Fund, and will assess on an annual basis how much of the Fund to appropriate in a given year.

The Airway Heights City Council has created a Lodging Tax Advisory Committee to conduct an annual process to solicit and recommend Lodging Tax funded services for the City Council's consideration.

The City of Airway Heights will only consider proposals for use of the Lodging Tax Fund from public and non-profit agencies.

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 tourists in lodging establishments within the City of Airway Heights.
- Promote Airway Heights and/or events, activities, and places in the City of Airway Heights to potential tourists from outside of Spokane County.
- Have demonstrated or high potential from the Committee's perspective to result in documented economic benefit to Airway Heights.
- Have a demonstrated history of success in Airway Heights, 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 City-owned tourism facilities or infrastructure.

Airway Heights 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 City's Finance Office.
- Thoroughness and completeness of the proposal.

- Percent of the proposal request to the event/facility promotions budget and overall revenues.
 - Percent of increase over prior year Airway Heights Lodging Tax funded proposals, if any.
 - Projected economic impact within the City of Airway Heights, in particular projected overnight stays in Airway Heights establishments.
 - The applicant’s financial stability.
 - The applicant’s history of tourism promotion success.
 - Committee member general knowledge of the community and tourism-related activities.
-

State Law Excerpts

RCW 67.28.1816 – Use of Lodging Tax Fund.

Lodging tax revenue under this chapter may be used, directly by any municipality or indirectly through a convention and visitors bureau or destination marketing organization for:

- a. Tourism marketing;
- b. The marketing and operations of special events and festivals designed to attract tourists;
- c. Supporting the operations and capital expenditures of tourism-related facilities owned or operated by a municipality or a public facilities district created under chapters 35.57 and 36.100 RCW; or
- d. Supporting the operations of tourism-related owned or operated by nonprofit organizations described under 26.U.S.C. Sec. 501(c)(3) and 26 U.S.C. Sec 501(c)(6) or the internal revenue code of 1986 as amended.

RCW 67.28.080 – Definitions.

- **“Municipality”** means any county, city or town of the State of Washington.
- **“Operation”** includes, but is not limited to, operation, management, and marketing.
- **“Person”** means the federal government or any agency thereof, the state or any agency, subdivision, taxing district or municipal corporation thereof other than county, city or town, any private corporation, partnership, association, or individual.
- **“Tourism”** means economic activity resulting from tourists, which may include sales of overnight lodging, meals, tours, gifts, or souvenirs.
- **“Tourism Promotion”** means activities 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 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.
- **“Tourist”** means a person who travels from a place of residence to a different town, city, county, state, or country, for purposes of business, pleasure, recreation, education, arts, heritage, or culture.