

APPLICATION FOR LODGING TAX FOR TOURISM-RELATED, SMALL-SCALE MUNICIPALITY-OWNED CAPITAL PROJECTS AND OPERATIONS

Applicant Information: Capital Project or Operations (Circle One or Both)

Name of Municipality: City of Cle Elum, WA

Mailing Address: 119 West First St.
Cle Elum, WA 98922

Contact Person and Title: Robert Omans, City Administrator
Phone: (509) 674-2262

Email: robert@cityofcleelum.com

Project Title: Tractor for Washington State Horse Park

Project Location: 1202 Douglas Munro Blvd, Cle Elum, WA 98922

Funding Request: \$15,000

Application Requirements

- X 1. The project qualifies for lodging tax funds as a capital expenditure of a tourism- related facility owned or operated by a municipality or is supporting the operations of tourism- related facilities owned or operated by a municipality.
- X 2. The municipality has submitted no more than two applications for capital project funding in the current year.
- X 3. The municipality's lodging tax advisory committee (or equivalent) has been informed of the project and endorsed it (not required for Kittitas County). A letter from the municipality is included.
- X 4. Lodging tax capital project funds are not being substituted for other funds that are already secured or applied for (if applicable).
- X 5. Municipality has secured matching funds of at least 50% of the total project costs.
- X 6. A completed project budget is included in the application (if applicable).
- X 7. A detailed 8 1/2 X 11 vicinity map that clearly shows the project is included (if applicable).

Tourism-Related, Small-Scale Municipality-Owned Capital Project Narrative

Project Description: Please describe the project in detail. Indicate the major work to be completed, any milestones that need to be overcome for the project to move forward, and include a comparison of existing and proposed conditions.

The Washington State Horse Park (“the Park”) operates on 112 acres owned by the City of Cle Elum, plus an additional 110 acres owned by Suncadia and managed by the Kittitas Conservation Trust. The Park uses a tractor to operate and maintain its extensive facilities on a day to day basis and during more than 40 events each season. These tasks include:

- a. Grooming four competition arenas that total 170,000 sq ft plus 20,000 sq ft of exercise “lunge pads” multiple times each day when in use
- b. Transporting bedding and manure for up to 300 stalls
- c. Moving shavings bags, gravel, logs and other materials around the property
- d. Lifting equipment, offloading deliveries, relocating port-a-johns, etc.
- e. Moving more than 75 large jumping obstacles around five cross country courses

The Park’s ability to swiftly and efficiently complete these tasks is paramount to successfully managing and hosting its customers’ activities. Currently, all of these tasks are handled by one 105 horsepower (“HP”) tractor owned by the Park. Occasionally Park management is able to leverage personal connections to borrow a tractor, and sometimes even rent tractors if available. But usually those tractors are too small (30-45 HP) and are not capable of handling the heavy commercial tasks of the Park.

The Park’s current tractor is often used continuously throughout the day, causing event activities to be delayed waiting for it to become available. For example, the delivery of shavings to customers is frequently late because the arenas are being dragged and prepared for the show. In some extreme situations, a major mechanical issue causes all tasks to stop, creating predictable displeasure. At least two large event organizers have opted to borrow tractors or loan their own equipment in order to get things done at the Park.

The Park has reached a size that a second tractor is required to keep up. The equipment needs to be of sufficient strength, at least 60 HP, to handle routine tasks. There is growing frustration from event organizers, participants, spectators, volunteers and Park staff about delays and an inability to service customer needs.

This proposal seeks \$15,000 toward acquiring a good quality, pre-owned 60-70 HP tractor. Based on research and discussions with the local John Deere dealership, the Park has

determined that such a tractor with delivery and sales tax should cost about \$30,000. The tractor will be maintained by the Washington State Horse Park Authority as part of its lease agreement with the City of Cle Elum.

2. **Kittitas County Tourism Infrastructure Plan:** Please explain how the project meets the goals and priorities in the Kittitas County Tourism Infrastructure Plan as adopted. Also, describe the specific county tourism infrastructure needs the project addresses and how the project directly increases tourism. Explain how the improvements will promote tourism in Kittitas County and indicate specifically how the improvements will directly increase economic activity resulting from tourists (see the definition of tourist on page 3 of this application).

Action 5, The WA State Horse Park Master Plan, ranks as the only high priority in the Recreational Tourism category of the Kittitas County Tourism Infrastructure Plan. Acquisition of a second tractor is critical to customer service of the Park. This project aligns with the following goals of the Tourism Infrastructure Plan:

Goal 1: Develop and maintain integrity of place. The WA State Horse Park is an asset for recreation that distinguishes Kittitas County from other areas and engenders local community pride. The statewide park was sited here as the preferred location by the state legislature. It is the region's premier equine facility, attracting some 27,000 visitors (2015), 93% of whom reside outside our County (annual Horse Park surveys).

Goal 2: Be market selective. The Horse Park encourages growth in a highly-valued tourism market segment, attracting families. Four percent of Washington residents are engaged in equestrian activities (WA State Recreation and Conservation Office 2006). Washington ranks among the top 11 states for horse ownership, with 250,000 horses. Fully 85% of equestrian eventers are women; women drive over 92% of all vacation planning decisions for their families (source: Greenfield Online Marketing Insights). Nearly 40% of equestrian eventers report net household income exceeding \$500,000. The equestrian market offers extraordinary potential for Cle Elum and Kittitas County as a recreational tourism destination.

Goal 4: Satisfy tourists. Delay in meeting deliverables is damaging to customer relationships and eventually to our ability to satisfy our clients. Horse Park participants of all disciplines actively use social media to promote and share their stories of events, competition standings, and stabling facilities. Meeting this requirement for first class customer service and facility management will ensure that visitors share the very best stories about the destination and their experiences while visiting the county's premier equestrian competition asset.

This project will directly impact tourism activity and numbers. In 2017, the Horse Park will host 40 prestigious events of all disciplines from cross-country to horse clinics, hunter/jumper shows, carriage-driving, rodeo and more; 30,000 participants and spectators are anticipated in 2017, accounting for over 9,000 lodging nights (Horse Park surveys, Dean Runyan Assoc.). The Park competes with other facilities in the state and region to host these events and relies on its reputation to book them. Our ability to maintain excellent customer service and to continue secure new customers relies heavily on our ability to professionally and quickly execute these basic operational tasks. Negative experiences concerning services and maintenance has affected Park event participation this year and it is feared that event bookings will be strongly impacted if our inability to meet customer expectations continues.

3. **Use of Grant Funds:** Please explain exactly how the requested funds will be used. Include an itemized list.

To purchase a good quality, pre-owned 60-70 HP Tractor with minimum 3-point hydraulics and 2 wheel-drive.

4. **Real Property:** If real property acquisition is a component of the project, please explain. Include any information of property already secured or evidence of the ability to secure the real property. N/A
5. **Capital Assets:** If capital asset acquisition is a component of the project, please explain. Include any bids solicited and received from potential vendors willing to supply the asset. All capital asset purchases require at least three bids. If you have already selected one of the bids, please provide justifications in writing.

Attached are descriptions and prices for three used tractors in the 60-70 HP based on research on-line and with Washington Tractor in Ellensburg. These prices range from a low of \$21,500 to a high of \$40,000 reflecting each tractor's age, condition, features and hours of use. The Park believes that once funds are available it should be able to locate and purchase an appropriate tractor for \$30,000.

6. **Coordination:** Please explain how this project has been coordinated with other jurisdictions as well as affected stakeholders. Please include letters of support from stakeholders.

The City of Cle Elum has worked with the Horse Park Board and Authority to define this project as a priority and secure its support. Now in its seventh season of operations, the Park communicates extensively with users and discipline specialists, monitoring social media, and surveying visitors. Attached are letters of support from two organizers of the Park's larger events that attract thousands of daily visitors during five weeks each season, as well as a letter from the President of the Authority Board.

- 7. Studies:** Please attach any feasibility or other studies that demonstrate linkages between the proposed project and the anticipated tourism impacts. Also please include your operations/maintenance funding strategy and business plan for long-term project sustainability (how the facility or facilities will be operated and maintained for at least three years following completion).

With funding from the state legislature in 1986, the Washington State Department of Agriculture completed a study recommending the creation of an equestrian center to “promote and serve the recreational horse industry in the state and provide economic benefits through equine activities.” In 1995, the state legislature passed RCW 67.18 (recodified 79A.30), to create the framework for the facility, authorizing the Horse Park Authority to establish “3) a first-class horse park facility in Washington to meet the important needs of the state’s horse industry, attract investment, enhance recreational opportunities, and bring new exhibitors and tourists to the state from throughout the region and beyond; and 4) A unique opportunity exists to form a partnership between state, county and private interest to create a major horse park facility that will provide public recreational opportunities and statewide economic and employment benefits.”

The Financial Feasibility and Economic Impact of the Washington State Horse Park (FFEI-WSHP) study was conducted by Central Washington University in 2006 (attached to this application). Legislative support continued with appropriation of \$3.5 million in the 2007-2009 capital budget for Phase I of construction of the Horse Park. The work included completion of design, development, permitting and engineering components, as well as the more visible site clearing, road grading and utility improvements the site required in preparation for constructing the arenas and other revenue generating facilities. In an Oct 12, 2009 posting on houserepublicans.wa.gov, Rep. Judy Warnick included in the list of reasons for her support: “Most of all, these facilities will help the local economy and provide much-needed jobs.” This view by the state legislators was reinforced most recently by Senator Holquist Newbry on April 22, 2013 on the same website.

The WA State Horse Park manages an annual operating budget of \$473,000, employs a seasonal maintenance crew that operates and maintains all Park equipment. The Park also benefits from “work parties” comprising up to 20 volunteers.

- 8. Project Readiness:** Please provide a detailed project schedule, including milestones necessary for completion as mentioned in question 1 above. On the schedule, indicate items completed and exactly where in the schedule the project is at this time. Be sure to include expected completion date.

The Park is ready to actively acquire and use a pre-owned tractor as soon as funding is available.

Tourism-Related, Small-Scale Municipality-Owned Capital Project Budget

All applicants for capital project funding must supply a detailed and complete project budget utilizing the following basic format:

WA State Horse Park Tractor	
Funding Sources	
Lodging Tax Funds Request	\$ 15,000
Other Grant Funds (list by source)	\$ -
Other Local Government Funds (list by source)	\$ -
Private Funds	\$ 15,000
In-Kind Support	\$
Total Available Funding	\$ 30,000
Project Expenses	
Hard Costs	\$ 30,000
Soft Costs	
Total Project Costs	\$ 30,000

Matching Funds as % of Total Costs: 50%

The Park currently has \$10,000 in restricted funds available for this project, and a pledge for another \$5,000 from a private donor.

*Verifying documentation must be provided and attached to this budget. This documentation may include award letters, letters of commitment, or loan approval documentation. You must include this in order to meet the matching funds requirement. If the funding source includes applicant funds, proof of available funding in the form of a letter of commitment from an authorized body or representative of the applicant is adequate.

9. **Applicant Certification:** Please sign below in agreement with statement of certification.

Certification is hereby given that the information provided is accurate and the applicable attachments are complete and included as part of the application package.

I further certify that the application thresholds are met at the time of application.



Jay McGowan

Mayor,
City of Cle Elum, WA

6.23.17
Date

**Tourism-Related Facility Operational Funding Narrative
(Municipality Applications Only)**

1. **Operational Spending:** Please explain your request for operational funding and how it is directly related to supporting the operations of a tourism-related facility owned or operated by a municipality or public facilities district.
2. **Sustainability Strategy:** Please describe your strategy for long-term operational sustainability. Include any specific progress toward this goal.
3. **Applicant Certification:** Please sign below in agreement with statement of certification.

Certification is hereby given that the information provided is accurate and the applicable attachments are complete and included as part of the application package.

I further certify that the application thresholds are met at the time of application.

Signature of Official Representative Title Date

Lodging Tax Capital Project Rating Form

Criteria Points Possible Application Questions Points Awarded

Kittitas County Tourism Infrastructure Plan	Low Priority = 5 Medium Priority = 15 High Priority = 20	Question 2
Stakeholder Support	Up to 5	Question 6
Feasibility Analysis and Business Plan Completed	Yes = 15 No = 0	Question 7
Promotes Tourism/ Increases Economic Activity Resulting From Tourists	Up to 20	Question 2
Project Readiness	Up to 20	Question 8
Applicant's Matching Funds	Up to 20 Less than 50% = 0 50% - 55% = 5 56% - 59% = 10 60% - 70% = 15 71% or more = 20	Capital Project Budget

City of Cle Elum
119 West First Street
Cle Elum, WA 98922



Telephone: (509) 674-2262
Fax: (509) 674-4097
www.cityofcleelum.com

June 22, 2017

Kittitas County Board of Commissioners
Attn: County Lodging Tax Advisory Committee
Lodging Tax For Tourism-Related, Small-Scale Municipality-Owned Capital Projects And Operations
205 West 5th Avenue, Suite 108
Ellensburg, WA 98926

Dear Commissioners:

The Cle Elum Lodging Tax Advisory Committee hereby expresses support of the City's 2017 application for Lodging Tax for Tourism-Related, Small-Scale Municipally-Owned Capital Projects and Operations application to purchase a good quality pre-owned Tractor to be used by the Washington State Horse Park.

The Horse Park is a significant driver of tourism for the City of Cle Elum and beyond. We endorse the Park's continued success and growth in local, state and regional tourism activities and priorities. As that role expands and its facilities grow, the Park needs more equipment and other resources to maintain its reputation as a first class venue.

If funded by the requested grant, a pre-owned Tractor will significantly enhance the Park's ability to achieve its mission and serve its customers.

Dated and signed this 22nd Day of June, 2017

A handwritten signature in green ink that reads 'Steven Harper'. The signature is written in a cursive style and is positioned above a horizontal line.

Steven Harper, Chairman
City of Cle Elum Lodging Tax Advisory Committee



June 22, 2017

Kittitas County Board of Commissioners
Attn: County Lodging Tax Advisory Committee
Lodging Tax for Tourism-Related, Small-Scale Municipality-Owned Capital Projects and
Operations
205 West 5th Avenue, Suite 108
Ellensburg, WA 98926

Dear Commissioners:

We are Cascade Horse Shows LLC, a Hunter Jumper Show company that puts on 2 USEF National Horse Shows and 1 USEF Regional horse show at the Washington State Horse Park each year. Our shows are the biggest at the horse park and bring in 150 to 300 horses and accompanying trainers, grooms, friends and family providing a very positive impact on the local economy.

We run 4 rings simultaneously for 6 days at each of the shows. Dragging each arena takes 20 to 30 minutes each. In order to keep our ring schedule on time and running smoothly and the footing in top condition, we require the use of 2 tractors and drags. The horse park now provides only 1 tractor and drag.

The 2nd tractor we borrow from a nearby farmer. Doing this has many downsides. It requires both time and expense to pick up and return the tractor. The liability for using the tractor and the wear and tear are a huge risk. To rent a tractor is very expensive and beyond our budget.

Growing our shows in the future requires the right equipment and having a tractor onsite and owned by the horse park would alleviate all of these problems and help the shows immensely with cost, efficiency and meeting the needs of our competitors.

Best regards,

A handwritten signature in black ink that reads "Nancy Lewis". The signature is written in a cursive, flowing style.

Nancy Lewis
Managing Partner
Cascade Horse Shows LLC

June 22, 2017

Kittitas County Board of Commissioners
Attn: County Lodging Tax Advisory Committee
Lodging Tax For Tourism-Related, Small-Scale Municipality-Owned Capital Projects And Operations
205 West 5th Avenue, Suite 108
Ellensburg, WA 98926

Dear Commissioners:

I am on the Board of Equestrians Institute, a non-profit organization that puts on two 3-day horse trials each season at the Washington State Horse Park. These events take several weeks of preparation, including moving large cross country jumps and other materials around 200 acres of competition tracks on two different parcels of land. At the event we attract about 250 horses and related visitors for four days, while using all the Park's arenas. The Park's tractor is critical to our activities, but it is not adequate to serve all these requirements. We have had to borrow tractors owned by volunteers and other personal friends in order to get all the work accomplished and meet necessary timetables. Borrowing a tractor is unprofessional and risky since the equipment is unfamiliar and not always up to the task. On the other hand, renting a tractor is not always possible and requires minimum hours that we cannot afford.

Please approve funding for the purchase of a good quality, used tractor to meet the Park's needs, allow us to accomplish more in less time and provide an opportunity to take more entries for our events.



Meika Decher, Eventing Board Member
Equestrians Institute



June 22, 2017

Kittitas County Board of Commissioners
Attn: County Lodging Tax Advisory Committee
Lodging Tax For Tourism-Related, Small-Scale Municipality-Owned Capital Projects And
Operations
205 West 5th Avenue, Suite 108
Ellensburg, WA 98926

Dear Commissioners:

The Washington State Horse Park Authority Board acknowledges that the City of Cle Elum has made Application for Lodging Tax for Tourism-related, Small-scale Municipality-owned Capital Projects for the purchase of a second Tractor to meet growing demands.

The Horse Park hosts over 40 events each season, several of which utilize all of the Park's competition facilities on up to 230 acres, and require as many as 300 stalls for many days in a row. The Park owns just one tractor to meet a wide variety of needs from bedding and cleaning stalls to moving gravel and other materials, pulling equipment to groom arenas, lifting heavy objects, blading ground and many other tasks. These same demands occur on a day-to-day basis. Often these are conflicting priorities that should be handled at the same time. The time it takes to wait until the tractor is available is inefficient for Park staff and causes frustration and dissatisfaction with our customers. Yet having to rent a second tractor is very expensive and borrowing one of sufficient horsepower is impractical for prolonged, heavy use.

I strongly urge you to approve funding for the purchase of a good quality, pre-owned Tractor to meet the Park's growing facility and customer needs. This will allow the Park to maintain and grow current events and attract new activities and visitors while providing a high level of service.

Sincerely,

Todd D. Trewin, President
Washington State Horse Park Authority Board



Leslie Thurston <director@wahorsepark.org>

quotes

1 message

Zack Olson <zolson@washingtontractor.com>

Thu, Jun 22, 2017 at 4:15 PM

To: "director@wahorsepark.org" <director@wahorsepark.org>

There is a 5083en that was recently sold for 26,500 excluding tax. This was a 2010 with 2700 hours on it, low tread, front weights, and 2 scv hydraulic hookups. These are just to give examples of the range in pricing. Given if we have something in that fits your needs I would expect 20-30,000. All depending on what model, condition, year, attachments, etc. I hope this helps.

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2 attachments

2015 5065e with h240 loader.pdf
35K

carraro.pdf
35K



Quote Summary

Prepared For:

Prepared By:

Zack-s1259 Olson
Washington Tractor, Inc.
3110 Fruitvale Blvd
Yakima, WA 98902
Phone: 509-452-2880
zolson@washingtontractor.com

Quote Id: 15592671
Created On: 22 June 2017
Last Modified On: 22 June 2017
Expiration Date: 30 June 2017

Equipment Summary	Selling Price	Qty	Extended
2008 CARRARO TN8400 - 72876003172	\$ 19,900.00 X	1 =	\$ 19,900.00
Equipment Total			\$ 19,900.00

Quote Summary

Equipment Total	\$ 19,900.00
LICENSE FEES	\$ 0.00
SubTotal	\$ 19,900.00
Sales Tax - (8.20%)	\$ 1,631.80
Est. Service Agreement Tax	\$ 0.00
Total	\$ 21,531.80
Down Payment	(0.00)
Rental Applied	(0.00)
Balance Due	\$ 21,531.80

Salesperson : X _____

Accepted By : X _____

Find Used Equipment (<https://www.machinerypete.com/>) > Tractors (<https://www.machinerypete.com/tractors>)
> 40-99 HP (<https://www.machinerypete.com/tractors/40-99-hp>)
> Kubota (<https://www.machinerypete.com/tractors/40-99-hp/kubota>)
> M7040HD (<https://www.machinerypete.com/tractors/40-99-hp/kubota/m7040hd>)

2009 Kubota M7040HD Tractor | \$25,000

♡ Save



Hover or click to zoom

Seller

Scholten's Equipment, Inc. - Lynden (</store/scholten-s-equipment-inc-lynden>)
Lynden, WA

Driving Directions ([http://maps.google.com/?q=8223 Guide Meridian, Lynden, Washington, 98264](http://maps.google.com/?q=8223+Guide+Meridian,+Lynden,+Washington,+98264)) 



(</store/scholten-s-equipment-inc-lynden>)
Mike Scholten
(800) 433-5480

 Email Seller

Key Specifications

Drive: 4 WD
HP: 67
Hours: 122



Quote Summary

Prepared For:

Prepared By:

Zack-s1259 Olson
Washington Tractor, Inc.
3110 Fruitvale Blvd
Yakima, WA 98902
Phone: 509-452-2880
zolson@washingtontractor.com

Quote Id: 15592671
Created On: 22 June 2017
Last Modified On: 23 June 2017
Expiration Date: 30 June 2017

Equipment Summary	Selling Price	Qty	Extended
JOHN DEERE 2015 5065E Utility Tractor - 1PY5065EVFY111604	\$ 37,000.00 X	1 =	\$ 37,000.00
Equipment Total			\$ 37,000.00

Quote Summary	
Equipment Total	\$ 37,000.00
LICENSE FEES	\$ 0.00
SubTotal	\$ 37,000.00
Sales Tax - (8.20%)	\$ 3,034.00
Est. Service Agreement Tax	\$ 0.00
Total	\$ 40,034.00
Down Payment	(0.00)
Rental Applied	(0.00)
Balance Due	\$ 40,034.00

Salesperson : X _____

Accepted By : X _____