



## 2012-13 TOURISM EXPANSION GRANTS

**Overview:** The Tourism Expansion Grants support new or expanding tourism or recreation facilities or designated development areas. Projects that involve an attraction are defined below.

### **Tourist Attraction:**

A tourist attraction is a physical or cultural feature at a particular place that individual travelers or tourists visit for their specific leisure-related interests. An attraction must have the ability to attract a visitor 50 miles (one-way) and retain a visitor in this area for at least 3 hours.

Attractions include recreation, historical sites, festival and cultural events, lodging and food services which are singularly and uniquely related to historical, cultural, or recreational tourist attractions, and guide services.

Arts and crafts outlets, garden center/nurseries and the like are generally **not** considered to be tourist attractions **unless** the premises are significantly large and they provide some kind of value-added experience such as having an artist in residence, on-site demonstrations or they conduct interpretive tours of their premises.

### **Who is eligible to apply?**

Any organization or business involved in tourism. Applicants must submit at least one letter of support from a local non-profit such as the city or county, economic development organization or chamber of commerce.

### **What is the required match?**

The required match is 1:1. For every dollar of grant money being requested, the sponsor must provide one dollar.

A cash match is preferred but in unique situations other assets such as real estate and equipment may qualify as the match. The value of these other assets must be easy to define and verifiable. Generally, in-kind services are not eligible in consideration of the match.

Money that has been put toward the project in the current and previous fiscal year may be considered as part (up to 75%) of the match.

### **What are the grant amounts?**

The grants can range from \$5,000-\$24,000 in any given year.

**What types of projects are eligible?**

Funds can only be used for buildings and equipment. They cannot be used for marketing or ongoing operation expenses. Types of usage that would be allowed include, but are not limited to, project construction costs associated with building new and/or remodeling tourism and recreation attractions, historical sites and artifacts; costs associated with purchasing new and/or existing tourism and recreation attractions, historical sites and artifacts; and equipment purchased for specific tourism project operation or a new major event that will be held to attract new visitors. Maintenance and/or deferred maintenance of a facility is not an eligible project.

**What types of projects receive priority?**

- 1) Projects that leverage funding from various public or private sources.
- 2) Grant funding that completes a project rather than “seed money” to start a project.
- 3) The urgency of the project is clearly demonstrated (i.e. the proposed project, if not completed within the next 18 months, will not happen).
- 4) Projects that retain visitors based upon cultural, historical, or interpretive significance will be scored higher, as well as the number of expected visitors attracted to the site.

**What is the timeline for the selection process?**

In order to allow two construction seasons for recipients, applications are now due in the spring rather than the fall. Current applications will be accepted until 5:00 pm on Friday, April 13, 2012. Only the first 30 applications will be forwarded for review. The review committee is made up of representatives from the Tourism, Community Development and Economic Development and Finance Divisions of the Department of Commerce.

**How long does the recipient have to invest the grant funds?**

Grant funds must be spent within 18 months of signing the agreement. Funds not spent during the 18-month time period must be returned and reallocated to other projects.

**Is there a cap on dollars received?**

Recipient can receive grants from the program for no more than three consecutive years. Grant Recipient must not exceed \$24,999 in state or local grants during a calendar year unless they are willing to report, in detail, in accordance with Economic Development Accountability Statute NDCC Chapter 54-61.

**What is the timeline for grants?**

All grants will be issued within 60 days of submission deadline. Grant money will be awarded in two payments. Grant recipients will be awarded 75% of the approved amount upon receipt of the signed agreement form. The 25% balance will be paid upon completion of the project and receipt of documentation confirming that the individual criterion was met. Any subsequent changes to approved projects must be submitted in writing within 9 months of receiving initial payment and will be reviewed on a case-by-case basis. Special consideration may be given in situations where plans are disrupted by a natural disaster out of the applicant's control.

For consideration for the 2012-2013 Tourism Infrastructure and Expansion Grants, please complete the application.