

STATE OF LOUISIANA
DEPARTMENT OF CULTURE, RECREATION AND TOURISM
OFFICE OF TOURISM
GRANT AGREEMENT

Project Enhancement Initiative (PEI) Grant
FY 2011-2012

BE IT KNOWN, the Department of Culture, Recreation and Tourism, Office of Tourism of the State of Louisiana (hereafter sometimes referred to as "State" or "LOT") and City of Covington, 317 N. Jefferson Avenue, Covington, LA 70433, Phone: (985) 898-4715 and Email: pkeller@covla.com (hereafter sometimes referred to as "Grantee") do hereby enter into this agreement ("Agreement") under the following terms and conditions.

1. Scope of Work

Grantee hereby agrees to execute and market the Covington Way Finding Signage ("Project" or "PEI") scheduled to be held July 1, 2011 – June 30, 2012 in Covington, Louisiana as set forth in its LOT- approved Business Plan and Media Plan (Exhibits A1 and A2) and Budget (Exhibit B).

The goal of this LOT Grant Program is to fund projects that significantly increase tourism visibility and vitality in Louisiana. Specifically, this grant will assist the LOT in fulfilling its public purpose and statutory mandate to expand and increase the economic impact of tourism on Louisiana through strong, effective public initiatives, and to achieve the following program objectives: (1) to facilitate development of statewide tourism products that will attract visitors and enhance the visitor experience; (2) to strengthen Louisiana's tourism partnerships and alliances to support the State's tourism industry as a whole; and (3) to increase visitation, length of stay and tourism expenditures in Louisiana.

a. Grant Award. Grantee shall be awarded no more than 50% of the total PEI's budget. Grantee must use a minimum of 25% of the grant award, but not more than 50%, for qualifying marketing expenses to implement the LOT-approved Media Plan for the PEI. Reimbursement will only be allowed for eligible project expenses and qualifying marketing expenses as these terms are defined in the LOT Grant Application and Guidelines. Qualifying marketing expenses include the actual placement costs of media, but not associated ad creation or media production expenses. Reimbursement will not exceed the total grant award. If a Grantee's PEI marketing

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efforts fall below the minimum requirement of 25% of the grant award, the Grantee may lose the PEI grant award in its entirety.

b. LOT as Official Sponsor. Reimbursement will only be allowed if the LOT has been acknowledged as an official sponsor of the PEI, as set forth herein and in the LOT Grant Application and Guidelines. Grantee must provide complimentary tickets and/or passes to events and activities should any fees be required for admission in a quantity necessary for all appropriate staff to represent Louisiana tourism and monitor the event to ensure compliance and for economic development purposes. Grantee shall contact the State regarding such access at least fourteen (14) days prior to date(s) of grant-funded activity when possible. The Louisiana Office of Tourism must be acknowledged as an official sponsor of the PEI, as follows:

- Grantee shall prominently display the official Louisiana Office of Tourism logo on the Grantee's official websites and the official websites of the PEI. The logo can be downloaded from <http://www.crt.state.la.us/tourism/grants.aspx>.
- Grantee shall include a link from the official Louisiana Office of Tourism logo to the LOT's official tourism website www.LouisianaTravel.com.
- Grantee shall prominently display the official Louisiana Office of Tourism logo in all grant-funded printed materials and other visual advertising and publicity, regardless of media.
- For broadcast announcements and scripts, Grantee shall include the following phrase *"Visit LouisianaTravel.com to plan your trip today."*

c. PEI Advertisements. Prior to placing the media, the Grantee shall submit to the Contract Monitor for approval all creative artwork or broadcast scripts to ensure the qualifying of marketing and advertising materials that will be funded by the State through the Competitive Grant Program. The materials must include the official Louisiana Office of Tourism logo and/or verbiage, as applicable and as described above. Unapproved ads may not be eligible for reimbursement.

d. Changes to Agreement. If the Grantee wishes to propose any changes to its LOT-approved Media Plan, Business Plan, Budget or Scope of Work, the Grantee must submit such proposed changes to the State in writing for approval (email is acceptable), prior to implementing such changes. The Contract Monitor will contact the Grantee within seven (7) business days to

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notify as to whether the change has been accepted. Grantee shall not request an increase in the maximum amount of the Grant award. Any item submitted for reimbursement that is not listed in the Scope of Work, Business Plan, Media Plan, or Budget that has not been preapproved by the Contract Monitor will not be considered an eligible expense and may not be approved for payment. Any substantial change to this agreement will require a written amendment, executed by all parties, as set forth herein.

e. Communication. Close communication with the Contract Monitor throughout the term of this Grant Agreement is a requirement and is a benefit to both the Grantee and State to ensure complete compliance with the grant intent. Grantee is required to submit a written notification to the Contract Monitor regarding any changes in the Grantee's contact information. Should a period of three months or more lapses without contact, the State may initiate the process of revoking this Grant.

2. Payment Terms

In consideration of the work described above, State hereby agrees to pay Grantee a maximum sum of **SEVEN THOUSAND FIVE HUNDRED AND 00/100 DOLLARS (\$7,500.00)**. Travel and other expenses not specified in the terms of this agreement are not reimbursable. The Contract Monitor will ensure that all terms and conditions are met prior to authorizing any release of payment.

Payment is contingent upon the availability of funds that are appropriated by the Louisiana Legislature or may be accrued to the State from other sources. The grant amount shall be paid in accordance with the following requirements:

a. One Payment. Only one payment will be made under this Grant Agreement upon satisfactory completion of the PEI. The payment will be made on a reimbursement basis after the conclusion of the specified PEI activities. Grantee shall mail or hand deliver to the Contract Monitor an original invoice to the State, a Final Report (**Exhibit C**), and all supporting documentation required to verify that the qualifying marketing expenses and project expenses were actually incurred by the Grantee in compliance with the terms of the Grant Agreement, **due by July 6, 2012.**

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b. **Original Invoice.** Grantee shall submit to the State an original invoice in the amount that reflects qualifying project and marketing expenses actually incurred by the Grantee. Grantee shall not be reimbursed for more than 50% of the total PEI's budget, and must submit documentation that a minimum of 25% of the grant award, but not more than 50%, was used for qualifying marketing expenses to implement the LOT approved Media Plan for the PEI. The document submitted for payment must 1) contain the word "invoice", 2) must not exceed the maximum grant award amount, 3) must be submitted on Grantee's letterhead, 4) must reference the PEI, and 5) must be accompanied by supporting documentation for the qualifying project and marketing expenses as detailed in the Final Report (Exhibit C) . The original invoice may be mailed or delivered to the Contract Monitor.

c. **Final Report.** Upon completion of the PEI, the Grantee shall submit a **Final Report (Exhibit C)**. The Final Report (**Exhibit C**) may be mailed or delivered to the Contract Monitor.

The Final Report (**Exhibit C**) form can be downloaded from LOT's website,

<http://www.crt.state.la.us/tourism/grants.aspx>.

Grantee shall complete each section of the Final Report, as applicable, including:

- Grantee Information
- Reimbursable Media – A report of qualifying marketing expenses actually incurred by the Grantee, along with media invoices and acceptable proof of implementation, documenting that a minimum of 25%, but not more than 50% of the grant award was used for qualifying marketing expenses.
- Reimbursement Documentation for Approved Project Expenses – Project vendor invoices or other supporting documentation that reflects qualifying project expenses actually incurred by the Grantee in compliance with the terms of the Grant Agreement.
- Final Report Summary

LOT reserves the right to require additional information, documentation, and/or added deliverables in order to verify compliance with the terms of the Grant Agreement.

Grantee will not receive reimbursement for cancelled project expenses, cancelled media or media not placed by the Grantee for any other reason. Only actual qualifying marketing expenses and project expenses incurred by the Grantee are eligible for reimbursement.

d. Payment. The Contract Monitor shall review and verify the original invoice, Final Report (Exhibit C) and all supporting documentation for compliance with the Grant Agreement. Upon approval, Contract Monitor shall authorize the invoice for payment. Reimbursement usually takes 4 -6 weeks for full processing.

The State will reconcile the invoice to the supporting documentation and will reduce the payment in the event of any of the following : 1) the submission of non-qualifying marketing or project expenses; 2) circumstances where the State was not adequately acknowledged as a sponsor in accordance with the guidelines, 3) the documentation to support the expense is missing or inadequate, or 4) noncompliance with the terms of this agreement. The State will notify the Grantee of any inadequacies, deficiencies, and will provide a reasonable opportunity to cure. If the Grantee wishes to appeal the State's payment decision, the Grantee must submit a letter in writing to the Contract Monitor within 30 days of notice of the defect.

If it is determined by the Contract Monitor or by an audit that State funds were expended on non-reimbursable expenses, Grantee will be required to repay the State in accordance with the terms of the State. If the Grantee defaults on the agreement, breaches the terms of the agreement, or ceases to do business, it shall be required to repay the State in accordance with the State's terms or requirements.

d. Act 12 Clause. No funds appropriated under Act 12 of the 2011 Regular Legislative Session shall be transferred to a public or quasi-public agency or entity which is not a budget unit of the state unless the entity (e.g., a grantee) executes an agreement (e.g., a grant agreement) and submits to the transferring agency (e.g., LOT), for approval, a comprehensive Budget showing all anticipated uses of the appropriation, an estimate of the duration of the project, and a plan showing specific goals and objectives for the use of such funds, including measures of performance. The transferring agency shall submit the Agreement, the Budget, and any other required information to the Legislative Auditor for approval at ebudgets@lla.la.gov.

3. Responsibility for Payment of Taxes

The Grantee hereby agrees that the responsibility for payment of taxes, if any, from the funds thus received under this agreement and/or legislative appropriation shall be Grantee's obligation and identified under Federal tax identification number 72-6000324.

4. Term of Grant Agreement

This Grant Agreement shall begin on July 1, 2011 and shall terminate on June 30, 2012.

The Grantee shall not proceed under the terms of this Agreement prior to receiving a fully executed copy of this Agreement from the State.

The PEI must be held in Louisiana between July 1, 2011 and June 30, 2012. The PEI is scheduled to be executed **July 1, 2011 – June 30, 2012**. All approved qualifying project and marketing expenses must be incurred by June 30, 2012.

Grantee must submit to the Contractor Monitor an original invoice, a Final Report (**Exhibit C**), and all supporting documentation **due by July 6, 2012**.

The Grantee shall be liable for all grant funds not used in accordance with the terms and conditions of this Agreement. If the Grantee is unable to perform the work or deliver the deliverables within the term of the Agreement, the Grantee shall so notify the State in writing (email is acceptable) before the termination date of the Agreement and thereby acknowledge the automatic cancellation of the grant, unless such notification contains a request for an amendment.

Except as provided in Section 1 (d), any alteration, variation, modification, or waiver of provisions of this Agreement shall be valid only when it has been reduced to writing, duly signed and executed by all parties.

5. Entire Agreement/Order of Precedence Clause

This Agreement and any exhibits specifically incorporated herein by reference, together with the LOT Grant Guidelines and addenda issued thereto by the LOT, the application submitted by the Grantee, constitute the entire agreement between the parties with respect to the subject matter.

In the event of any inconsistent or incompatible provisions, this signed Agreement (excluding the LOT Grant Guidelines and Grantee's Application) shall take precedence, followed by the provisions of the LOT Grant Guidelines, and then by the terms of the Grantee's Application.

6. Termination for Cause

The State may terminate this Agreement for cause based upon the failure of Grantee to comply with the terms and/or conditions of the Agreement, provided that the State shall give Grantee written notice specifying Grantee's failure. If within thirty (30) days after receipt of such notice, Grantee shall not have either corrected such failure or, in the case which cannot be corrected in thirty (30) days, begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then the State may, at its option, place Grantee in default and the Agreement shall terminate on the date specified in such notice. From the date of the termination, no payments will be made by the State to the Grantee. In the event the Grantee has received payment above and beyond documented eligible expenses, the Grantee shall return all such funds to the State.

7. Termination for Convenience

The State may terminate this Agreement at any time by giving thirty (30) days' written notice to Grantee. In the event that the Grantee is not in compliance with the terms of this Agreement at the time of termination, no payment will be issued to the Grantee.

8. Fiscal Funding Clause

The continuation of this Agreement is contingent upon the appropriation and availability of funds to fulfill the requirements of the Agreement. If insufficient monies are appropriated to provide for the continuation of the Agreement, or if such funding is reduced by government action and the effect of such reduction is to provide insufficient monies for the continuation of the Agreement, the Agreement shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated. Grantee acknowledges that the funding for this Agreement is subject to congressional, legislative or administrative action, such as mid-year budget reductions, which could result in a mid-year reduction of funds available to fund this Agreement, which may require amendment or termination of this Agreement.

9. Audit

It is hereby agreed that in accordance with La R. S. 24:513, the Legislative Auditor of the State of Louisiana, and/or the Office of the Governor, Division of Administration auditors shall have the option of auditing all accounts of Grantee that are related to this grant.

10. Liability

The Grantee shall indemnify and hold harmless the State against any and all claims, demands, suits, and judgments of sums of money to any party for loss of life or injury or damage to person or property growing out of, resulting from, or by reason of any negligent act or omission, operation or work of the Grantee, his agents, servants, or employees while engaged upon or in connection with services required or performed by the Grantee hereunder.

11. Non-assignability

The Grantee shall not assign any interest in this grant and shall not transfer any interest in same (whether by assignment or notation), without prior written consent of the State, provided however, that claims for money due or to become due to the Grantee from the State may be assigned to a bank, trust company, or other financial institution without such prior written consent. Notice of such assignment or transfer shall be furnished promptly to the State.

12. Anti-discrimination

The Grantee agrees to abide by the requirements of the following as applicable: Title VI and VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972, Federal Executive Order 11246 as amended, the Federal Rehabilitation Act of 1973 as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1972, the Fair Housing Act of 1968 as amended, and Grantee agrees to abide by the Requirements of the Americans with Disabilities Act of 1990. Grantee agrees not to discriminate in its employment practices, and will render services under this agreement without regard to race, color, religion, sex, sexual orientation, national origin, veteran status, political affiliation or disabilities. Any act of discrimination committed by the Grantee, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this Agreement.

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THUS DONE AND SIGNED AT Covington, Louisiana on the 28th day of October, 2011.

WITNESSES:

Paul Walker
Cindy Samuel

City of Covington

Mike Cooper

Mike Cooper

Mayor

Phone: (985) 892-1811

Email: mayorcooper@covla.com

THUS DONE AND SIGNED AT Baton Rouge, Louisiana on the 18th day of October (month), 2011.

WITNESSES:

Leeann Bone
Lindsay Schmidt

Department of Culture, Recreation, &
Tourism

James L. Hutchinson

James L. Hutchinson, Assistant Secretary
Office of Tourism

Exhibit A1

Business Plan

Narrative

Marketing and promoting tourism in Covington is a top priority of our Downtown Economic Development Office. Covington serves the Parish of St. Tammany and the State of Louisiana as an attractive tourism destination. Enhancing our city through the implementation of way finding signage along its “main street” corridor and throughout our downtown historic district, provides and supports Covington’s tourism initiative as a welcoming, accommodating destination for visitors and is a promising catalyst creating a potent economic impact for local businesses.

Covington has wonderful qualities that are attractive to tourism. The City of Covington is a collective jewel of business, community, entertainment, cultural art and historic charm. Boutique shopping, fabulous dining choices, plentiful special events and a budding nightlife (Covington recently passed an ordinance allowing open containers in our entertainment district) are a draw to overnight visitors who enjoy the hospitality offered by three quaint bed & breakfast inns located in downtown Covington. Our pressing need is in way finding signage (we have none) to assist in directing visitors to those entities, greatly improving the overall experience of visiting historic downtown Covington.

Founded in 1813, Covington’s small town charm and character are still enjoyed and treasured today. Placed on the National Register of Historic Places in 1982, Covington’s historic downtown cultivates a sense of community and place complimented by our weekly Farmer’s Market, monthly musical concerts and art walks. Renowned as a thriving arts mecca, in addition to Covington’s many galleries featuring monthly coordinated art openings, art market, and home of the St. Tammany Parish Art Association, Covington plays host each November to the annual Three River’s Art Festival featuring local, national and international artists. We’re proud of downtown Covington’s designation by the State as both a Cultural Arts District and a Louisiana Certified Retirement Community.

Nestled amongst three rivers, the Bogue Falaya, the Tchefuncte, and the Little Tchefuncte, Covington’s scenic natural surroundings provide quality recreational activities from picnicking to kayaking and fishing. Known for its clean air and water, Covington became popular at the turn of the century as visitors traveled to the City to bathe in the natural ozone waters common to the area. Serving as the seat of the parish, today Covington’s thriving historic downtown encompasses a vibrant shopping and entertainment district as well as a pulsating central business district. Balancing preservation and progress is a priority in the Covington community.

In addition, the newest attraction to our historic downtown is the Covington Trailhead & Visitor’s Center located at one terminus of the **Tammany Trace**, a scenic 31-mile rail-to-trail conversion and recreational corridor for pedestrians and bicyclists. The Covington Trailhead resembles an old-fashioned railroad station including a covered waiting platform, bandstand, restrooms, water fountains and Visitor Center entertaining guests with an 11-minute orientation film serving as an introduction to Covington’s charming history. The film encourages visitors to explore the other exhibits, including photos, artifacts and two interactive kiosks presenting interviews covering both historical and current information. All of the exhibit elements serve to convey our history,

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our quality of life, and the character and culture of our community. The Covington Trailhead & Visitor Center serves as a catalyst for tourism and economic growth in our historic downtown district.

Covington is extremely excited and proud of our historic downtown business and entertainment district and our positive impact on tourism in St. Tammany Parish and the State of Louisiana. Through the support of this PEI request, as an additional funding resource, the LOT will generate sufficient funds to permit implementation of a way finding signage project that will significantly improve the overall experience of visiting historic downtown Covington and complement the city's allure as a tourist destination in Louisiana.

Goals and Objectives

- Improve Covington's attractiveness as a tourism destination
- Provide directional elements beneficial to pedestrian visitors
- Provide directional elements beneficial to vehicular travel
- Generate a positive economic impact for business and community

Timeline

DATE	ITEM COMPLETED
15-Jul-2011	Select locations / illustrate directions for signage
20-Jul-2011	Contract for fabrication/installation services
15-Sept-2011	Complete fabrication/begin installation
15-Oct-2011	Complete installation
28-Oct-2011	Ribbon cutting ceremony
March-2012	Southern Living – Travel Directory Ad

Note: Phase 1 Design/Prototype/Installation will be complete prior to July 15, 2011

Measures of Performance

Performance will be measured through downtown merchant zip code tracking survey campaign.

Additional Deliverables

Notation of Louisiana Office of Tourism on signage and advertising purchased through grant funds

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Proof of Past Performance

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The City of Covington Economic Downtown Development Office under the direction of Pam Keller since 2005 has successfully applied, was designated/awarded, completed and continues to participate in several state programs including: Louisiana Certified Retirement Community; Cultural Arts District; Development Ready Community Pilot Program.

Under new administration, Pam Keller is also in charge of special projects.

Exhibit A2

Media Plan

Print Placement (Magazine, Newspaper)

Publication Name	Market (s)	Ad Size	Issue Date	Circulation No.	Budgeted Costs
Southern Living	Texas, Oklahoma, Arkansas, Missouri, Louisiana	4" Travel ad inside issue	March 2012	630,000	\$3,750
Travel Information Page in Southern Living	Entire U.S. Southern Region	Line Item in Top Travel Picks (See attached)	March 2012	2,800,000	FREE

Total \$3,750

Internet Advertising/Web Banners

Web Site Name	Web Site Address	Target Audience	Dates	Budgeted Costs
Southern Living Travel Planner	www.southernliving.com	Tourist	March 2012	FREE

Total \$0

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Exhibit B

PEI Budget

Grantee: City of Covington

PEI: Way Finding Signage (Phase II)

Anticipated Income or Revenue

Sources of Revenue	Amounts
Budgeted Funds	\$ 7,600
LOT Grant	\$ 7,500
Total Expected Revenue	\$ 15,100

Anticipated Expenses

Expense Categories	Total Amount	LOT Grant
Professional & Contract Services for signage fabrication/installation <ul style="list-style-type: none"> • Vehicular signage-single faced, 2 @ \$2,950/ea • Pedestrian signage-double faced, 1 @ \$2,800/ea • Kiosk signage-single faced, 1 @ \$2,650/ea 	\$ 11,350	\$5,625.00
Marketing & Advertising <ul style="list-style-type: none"> • Southern Living 	\$ 3,750	\$1,875.00
Total Anticipated Expenditures	\$ 15,100	\$7,500.00

Exhibit C

Louisiana Office of Tourism PEI Grant Final Report FY 11-12

SECTION I: Grantee Information

PEI Name _____
 PEI Date (s) _____
 Organization _____
 Grant Award Amount _____
 Primary Contact for PEI _____
 Phone Number _____
 Email _____

SECTION II: Reimbursable Media; Qualifying Marketing Expenses

Reimbursable Items –All qualifying marketing and advertising must be directed toward areas outside a 50-mile radius of the PEI. A minimum of 25% of the PEI grant award, but not more than 50%, must be used for qualifying marketing expenses as listed in the LOT Grant Guidelines. Qualifying marketing expenses include the actual placement costs of media, but not associated ad creative or media production expenses.

***List only qualifying marketing expenses eligible for reimbursement through the LOT Grant Guidelines.

Print Placement (Magazine, Newspaper)

Publication Name	Market (s)	Ad Size	Issue Date	Circulation No.	Actual Cost
Total					\$ _____

Broadcast Placement (Radio/Television)

Station Call Letters	Designated Marketing Area (DMA)	Spot Length / Frequency	Broadcast Dates	Actual Cost

- Original ad placement tear sheets for print advertisements
- Broadcast log reports indicating actual broadcast times and dates
- Screenshots for online banner advertisements
- Billboard photographs showing content
- Other _____ (LOT Contract Monitor will determine if the proof is acceptable.)

Section IV: Reimbursement Documentation for Project Expenses

Grantee shall submit project vendor invoices or other supporting documentation reflecting date, description of project expenses and dollar amount.

Section V: Final Report Summary Format

- A 1–2 page typed detailed summary on the outcome of the PEI taking into consideration the goals, objectives and measurable outcome regarding the impact that the PEI had on tourism in the area and the state, which should include:
 - 1) **Objectives Achieved**-List accomplishments in compliance with the overall goal of impacting tourism.
 - 2) **Measurements of Performance**- include but are not limited to the following: estimated attendance, admissions revenue, event registration and entry fees collected, number of hotel room nights/ occupancy rates/ADR, food and beverage tax and average visitor spending, etc.
 - 3) **Local/State/Regional Economic Impact**
 - 4) **Media Relations** -Grantee shall include supporting documentation for media relations which may include but are not limited to the following: copies of news releases, newspaper clippings, flyers, programs, itineraries, photographs, programs, etc.
 - 5) **Profitability of the PEI**

The final report summary should include all five (5) headings mentioned above.