



TO: Olympia City Council

FROM: Jessica Bateman, Mayor Pro Tem and Chair, Lodging Tax Advisory Committee

DATE: Nov. 12, 2019

SUBJECT: 2020 Lodging Tax Committee Recommendations

The Olympia Lodging Tax Advisory Committee (LTAC) recommends 2020 tourism service contracts in the amount of \$405,923. As a reminder, the committee considers one-half of the Lodging Tax Fund; the other half is committed to The Washington Center for the Performing Arts per a formal agreement with the Center.

The Olympia LTAC reviewed 16 requests for 2020 funds, and one more applications than in 2019. The total requested amount of \$402,923 was more than \$14,200 over the total amount requested last year.

Further, the total available for funding was \$449,000, after allowing for the traditional 20 percent contingency balance. Remarkably, that is more than \$43,000 over the total funds requested. The Committee, therefore, was able to recommend fully fund all the requests.

As in previous years, the LTAC continues to place high priority on supporting tourism marketing and on tried and true events and activities that resulted in documented and documentable overnight stays in Olympia lodging establishments. Because of Washington state law reporting requirements, the LTAC has emphasized in the application the need to show documented paid overnight lodging numbers. LTAC continues to encourage Lodging Tax recipients to work with the Visitor and Convention Bureau on how to capture overnight stays that result from their activities, in order to provide the best measurable outcomes possible back to the LTAC.

Attachments:

1. Chart of Recommendations
2. Chart of History of Olympia Lodging Tax
3. Draft Minutes – LTAC October 23, 2019 meeting

2020 Lodging Tax Recommendations

Tourism-Related Service Contracts:

Arbutus Folk School	\$ 7,000
Capital Lakefair	\$ 8,000
Gateway Rotary Club	\$ 10,000
Greater Olympia Dixieland Jazz Festival	\$ 32,500
Hands on Children's Museum	\$ 68,923
Harbor Days	\$ 50,000
Harlequin Productions	\$ 30,000
Lake Run Organization	\$ 5,000
Olympia Downtown Alliance	\$ 6,000
Olympia Downtown Alliance	\$ 7,500
Olympia Film Society	\$ 25,000
Olympia & Beyond Sports Commission/VCB	\$ 15,000
Olympia-Lacey-Tumwater Visitor and Convention Bureau	\$100,000
Olympic Flight Museum	\$ 10,000
South Sound Reading Foundation	\$ 11,000
Washington State Senior Games	\$ 20,000
TOTAL CONTRACTS	\$405,923

Total 2020 Recommendation

\$405,923

DRAFT

Lodging Tax Advisory Committee Meeting Minutes

October 23, 2019

Olympia City Hall, Council Chambers

CALL TO ORDER

Chair Jessica Bateman called the meeting to order at 3:00 p.m.

1.A ROLL CALL

Present: 5 - Chair Jessica Bateman, Committee Member Nathan Allan, Committee Member Meghan Payne, Committee Member Jack Kiley, and Committee Member Teri Thorning

2. APPROVAL OF AGENDA

The agenda was approved as submitted.

3. APPROVAL OF MINUTES

3.A 19-0965 Approval of July 31, 2018 Lodging Tax Advisory Committee Meeting Minutes

The minutes were approved as submitted.

4. PUBLIC COMMENT – None

5. ANNOUNCEMENTS – Staff Liaison Kellie Purce Braseth offered thanks for the service of Committee Member Nathan Allan, who would be stepping down from the Lodging Tax Advisory Committee effective once the work of the committee for 2019 is complete because of City Council approved term limits.

6. BUSINESS ITEMS

6.A 19-0962 Review of 2020 Lodging Tax Funded Tourism Services Proposals
The Committee discussed how it would move through the review of applications considering there were more funds available than requested in the proposals. Chair Jessica Bateman suggested proceeding one-by-one in alphabetical order, and moving quickly on those proposals that were clearest to decide upon. They would then vote to recommend the proposals as a whole. The Committee agreed to the approach.

Arbutus Folk School

Requested \$7,000

The request was for support for the Olympia Old Time Festival. The Committee was pleased with the date of the event, to held Feb. 13-16, 2020. The organizers were encouraged to update the list of lodgers and to apply for more Lodging Tax funds in the future. Committee Member Teri Thorning asked about the reduction in overnight stays noted on the application. The organizers said they wanted to be conservative. The committee recommended fully funding the request.

Capital Lakefair Requested \$8,000
Karen Griggs and Bob Barnes were present to represent the Capital Lakefair proposal. The Committee was impressed that funds would be used to promote Olympia in other communities through Lakefair's mobile float work. The committee recommended fully funding the request.

Greater Gateway Rotary Requested \$10,000
Brat, Brews and Bands Event Planners Shelley and Dan Nicholson were present to represent the Greater Gateway Rotary proposal. The Committee was disappointed with the completeness of the applications, noting that whole section had been submitted incomplete. The Committee had more detailed questions about the event budget and Committee Member Jack Kiley expressed concern about the answer in the application about how they would promote Olympia. The organizers apologized and said they believed they had submitted the wrong version of the application. Rather than make a recommendation, the Committee decided to set the proposal aside and return to it at the end.

Greater Olympia Dixieland Jazz Society Requested \$32,500
Dixieland Jazz Society representative Charlotte Dickison and Carla West were present to support the proposal. The Committee had no questions on the proposal, and praised the event. The committee recommended fully funding the request.

Hands on Children's Museum Requested \$68,923
Executive Director Patty Belmonte was present to represent the Hands on Children's Museum proposal. Ms. Belmonte updated the Committee on the Museum's latest activities. The Committee had no questions on the proposal and recommended fully funding the request.

Harbor Days Requested \$50,000
Executive Director Carol Riley was present to represent the Harbor Days proposal. Ms. Riley spoke about her work to make the festival more sustainable. The Committee praised the quality of the application and recommended fully funding the request.

Harlequin Productions Requested \$30,000
Finance Director Joe Hyer was present to represent the Harlequin Productions proposal. Mr. Hyer and the Committee conversed about the Lodging Tax application form briefly. Committee member asked and a discussion followed on the use of single-ticket promotions and memberships. The Committee recommended fully funding the request.

Lake Run Organization Requested \$2,000
Bob Brennand and Nick Schmidt were present to represent the Lake Run Organization proposal. Committee Member Allan asked about a rule the Committee discussed several years ago to not accepted applications of less than \$5,000 because of the use of staff time. He mentioned the discussion happened prior to the current staff's service. Staff Liaison Braseth noted that she had not seen the rule documented anywhere and Committee Member Thorning thought the discussion happened about seven years ago. Committee Member Allan thought the \$5,000 threshold should be noted on the application.

The organizers noted that this is the first year the run is under a unified brand. Committee Member Allan expressed concern that funding the event would open the door to all the 5K runs in the community seeking Lodging Tax funds. Mr. Schmidt noted that the Lakefair races had drawn participants from as far as the east coast. The Committee inquired if the event was funded at a higher rate of \$5,000 could they put heads in beds. The organizers though they could expand the geographical area of the marketing with the extra funds. The Committee recommended funding the request at \$5,000.

Olympia Downtown Alliance Requested \$6,000
Executive Director Todd Cutts was present to represent the Olympia Downtown Alliance's (ODA) Sip, Savor and Stroll proposal. Committee Member Kiley asked about the events success in bringing in people from outside of Olympia. Mr. Cutts noted that there had been interest on their website from beyond Olympia. Committee Member Thorning urged the ODA to use a measurement tool to better capture the overnight stays at the event. The Committee recommended fully funding the request.

Olympia Downtown Alliance Requested \$7,500
Executive Director Todd Cutts was present to represent the Olympia Downtown Alliance's (ODA) Downtown Visitor's Guide proposal. Mr. Cutts described the distribution process of the publication through local hospitality venues and all Downtown businesses. Members of the Committee noted visitors seeing and using the Guide. The Committee recommended fully funding the request.

Olympia Film Society

Requested \$25,000

Executive Director Audrey Henley was present to represent the Film Society proposal. Committee members offered their compliments to the Film Society for the quality of the application. Ms. Henley noted that the film festival was moving to April and in 2020 would focus on art house theaters. She also mentioned that a new point-of-sales system would provide better data. The Committee recommended fully funding the request.

Olympia-Lacey-Tumwater VCB

Requested \$100,000

Executive Director Shauna Stewart represented the Visitor and Convention Bureau (VCB) aka Experience Olympia and Beyond. The Committee had previously allowed the VCB to not submit an application for their funds because it was agreed upon to fund the VCB at that level. Ms. Stewart thanked the Committee. The Committee recommended fully funding the request.

Olympia & Beyond Sports Commission/ VCB

Requested \$15,000

Executive Director Shauna Stewart represented the Olympia & Beyond Sports Commission/Visitor and Convention Bureau. Committee Member Allan expressed his support for the proposal, and Committee Member Kiley emphasized the importance of the sports commission, noting that the committee is playing catch up in that area. Committee Member Payne expressed her excitement about the future for the sports commission. The Committee recommended fully funding the request.

Olympic Flight Museum

Requested \$10,000

Paul Faul, Secretary of the Board of Directors was present to represent the proposal. Committee Member Thorning recused herself from commenting and voting on the proposal due to her affiliation with the event. Mr. Faul mentioned that moving the event commercials to Q13 provided a bigger bang for the buck and a larger reach. Committee Member Payne said she liked the timing of the event on Father's Day and that they were hitting a needed market. The Committee recommended fully funding the request.

South Sound Reading Foundation

Requested \$11,000

Executive Director Jennifer Williamson Forster, Author Jim Lynch, Vice President Mary Ellen Jones and Development Director Emily Ecker were present to represent the proposal for the OlyLit Festival of Books. Mr. Lynch mentioned that just Portland and Spokane offer similar events. The Committee and representatives discussed the timing of the event in September. The organizers thought September was the best time because Olympia "sparkles" then. Also, it is still dry enough for event participants to move around Downtown. Ms. Williamson Forster noted that 2020 is a year to build infrastructure and have a soft launch of the event. Committee Member Allan asked if there were capacity to make the event bigger. Ms. Williamson Forster said they wanted to first focus on making the event successful. The Committee recommended fully funding the request.

Washington State Senior Games Requested: \$20,000.00
 Washington State Senior Games Board of Director's President Jack Kiley was present in his capacity as a member of LTAC and noted his affiliation with the event. He recused himself from commenting and voting on the proposal. The Committee noted it was a proven event and had no further questions. The Committee recommended fully funding the request.

Greater Gateway Rotary Requested \$10,000
 The Committee return to the proposal for Brat, Brews and Bands. In the intervening time, Event Planners Shelley and Dan Nicholson were able to provide the missing application information for the committee. The Committee was pleased with the additional information. Committee Member Jack Kiley asked them to work on out of town promotion and the Committee members Payne and Thorning expressed interest in improved measurement tools and what would be generated by a two-day event. The Committee recommended fully funding the request.

The Committee then moved to final funding recommendations for the reviewed proposals. The Lodging Tax Advisory Committee's final recommendations were as follows:

Agency	2020 LTAC Recommendation
Arbutus	\$7,000.00
Capital Lakefair	\$8,000.00
Gateway Rotary Club	\$10,000.00
Greater Olympia Dixieland Jazz Society	\$32,500.00
Hands on Children's Museum	\$68,923.00
Harbor Days	\$50,000.00
Harlequin Productions	\$30,000.00
Lake Run Organizations	\$ 5,000.00
Olympia Downtown Alliance	\$6,000.00
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Olympia Film Society	\$25,000.00
Olympia-Lacey-Tumwater VCB	\$100,000.00
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Olympic Flight Museum	\$10,000.00
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Washington State Senior Games	\$20,000.00

7. REPORTS

Strategic Communications Director Kellie Purce Braseth shared with the committee that the City was recruiting for a lodger to fill the seat being vacated by Committee Member Nathan Allan. She asked Mr. Allan to pass on any recommendation of small hotelier who might have an interest in applying for the vacancy.

8. OTHER TOPICS

Carol Riley asked from the audience if she might share some information with the Committee. She updated the Committee on former Committee member Russ Cartensen and how he could be reached. She noted that discussions were underway on the formation a Thurston County chapter of the Washington Festivals and Events Association. She also noted that a group was being formed to work on the Tugboat Parthia. She said the Port of Olympia would be deciding on a place on land to put the Parthia. Ms. Riley mentioned that she is creating a tugboat walk that the Parthia might be part of. She also spoke about Olympia being part of an upcoming Maritime Heritage District.

Chair Bateman and the Committee discussed ensuring that the application is a fillable PDF for next year's round of applications and adding the \$5,000 minimum proposal on the application.

9. ADJOURNMENT Chair Bateman thanked the committee and adjourned at 4:41 p.m.

