



City Council

Approval of Second Round of Lodging Tax Advisory Committee 2021 Funding Recommendations

Agenda Date: 5/18/2021
Agenda Item Number: 4.L
File Number: 21-0494

Type: decision **Version:** 1 **Status:** Passed

Title

Approval of Second Round of Lodging Tax Advisory Committee 2021 Funding Recommendations

Recommended Action

Committee Recommendation:

The Lodging Tax Advisory Committee (LTAC) recommends approval of the second round 2021 Lodging Tax Fund recommendations.

City Manager Recommendation:

Move to approve the second round LTAC 2021 Lodging Tax Fund recommendations.

Report

Issue:

Whether to approve the second round Lodging Tax Advisory Committee recommendations for 2021 tourism funding.

Staff Contact:

Mike Reid, Economic Development Director, 360.753.8591

Presenter(s):

Mayor Chery Selby, Lodging Tax Advisory Committee Chair
Mike Reid, Economic Development Director

Background and Analysis:

Annually, the Olympia Lodging Tax Advisory Committee (LTAC) makes recommendations on use of approximately one-half of the City's Lodging Tax Fund. Per a long-standing agreement that pre-dates the Committee's creation, the City uses the other half for capital and operating costs of the Washington Center for the Performing Arts, a City-owned facility. Typically the application cycle for LTAC funds is completed at the end of the previous year but due to the impact of COVID and event cancellations the LTAC concluded that they would like to have two rounds of application eligibility.

In December 2020 the LTAC recommend funding 11 applications for a total amount of \$346,497. A second application period was opened on April 1, 2021 with an application deadline of April 28, 2021.

Seven (7) proposals were received by deadline totaling \$305,000 in requests. The estimated LTAC reserve fund balance entering in to 2021 is \$830,000. If revenue projections hold it is projected that the LTAC Reserve Fund Balance entering 2022 would be approximately \$900,000. It is the request of the LTAC to utilize LTAC Reserve Funds for this second round of funding.

The Committee agreed to forward the following recommendations to City Council for consideration:

1. Gateway Rotary, Brats, Brews, and Bands - \$5,000
2. Harbors Days - \$30,000
3. Harlequin Productions - \$40,000
4. Olympia Downtown Alliance - Downtown Re-Opening Marketing - \$50,000
5. Olympia Downtown Alliance - Summer Saturdays - \$50,000
6. Olympia Film Society - \$50,000
7. Olympia Parks - Ice Rink - \$50,000
8. Senior Games - \$30,000

Total: \$305,000

A second quarter budget amendment will come before Council to appropriate the funds. There is adequate fund balance to provide immediate funding to recommend recipients.

Neighborhood/Community Interests (if known):

N/A

Options:

1. Approve LTAC recommendation.
2. Do not approve the LTAC recommendation.

Financial Impact:

The estimated LTAC reserve fund balance entering in to 2021 was \$830,000. If revenue projections hold it is projected that the LTAC Reserve Fund Balance entering 2022 would be approximately \$900,000 prior to award of second round funding.

Attachments:

Lodging Tax Award Chart Round 1 and 2