



City of Arlington Council Agenda Bill

Item:
NB #5
Attachment
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COUNCIL MEETING DATE:	
December 5, 2016	
SUBJECT:	
Lodging Tax Distributions for 2017	
ATTACHMENTS:	
2017 Lodging Tax Grant Application Worksheet	
DEPARTMENT OF ORIGIN	
Finance; Kristin Garcia - Finance Director 360-403-3431	
EXPENDITURES REQUESTED:	\$146,158
BUDGET CATEGORY:	Lodging Tax Fund
LEGAL REVIEW:	

DESCRIPTION:

17 applications were received with a total amount requested of \$185,335. The amount budgeted for distribution is \$160,000. The lodging tax advisory committee (LTAC) met on October 12 and November 17 to review and discuss the applications. The applications were individually scored using the rating criteria included in the application. The rating criteria consisted of; projects supporting city tourism goals, length of impact, attracting visitors from more than 50 miles away, a match of at least 33% of total project costs, consideration of partnerships, sustainable future funding and overnight lodging stays.

The committee acknowledges the applications were all for good causes and saw value in each application, however, the committee had a difficult task in making sure the distributions followed state law, met the criteria as outlined in the application document and were within the total amount budgeted.

Based on the rating criteria, the committee recommends a funding distribution totaling \$146,158. The funding distributions were broken down as follows;

- 1) The wounded warrior project was determined to be ineligible to receive funding as the project sponsor was an individual. State law requires distributions to be made to convention and visitor bureaus, destination marketing organizations, non-profits including lodging associations or chambers of commerce and/or municipalities.
- 2) Applications with a score of less than 20 were not awarded funding.
- 3) The City can award a maximum of 66% of total project costs. For those that requested more than the 66% and were determined eligible to receive funding, those amounts were reduced to reflect the 66% (see the Chamber coupon book publication and cascade loop membership projects).
- 4) The applications for the Arlington Arts Council and DABA were reduced to 50% of the amount requested. The requested amount was reduced because the committee could not determine the individual impact of each event as data was combined, not individualized. The combined data presented challenges on how to score these applications. Additional information was requested from each organization, one did not provide a response and the other response provided no additional detail.
- 5) The City's summer outdoor recreation series did not receive the full amount requested because the 33% match was not met. The requested amount was reduced by the difference between what the match should have been and what the match actually is.
- 6) All other applications were fully funded.

RCW 67.28.1816 requires a local lodging tax committee to review applications and submit a recommendation to Council for how lodging taxes are to be distributed. Council's role is to accept or reject the lodging tax committee's recommendation for distribution. The Council may accept all, some or none of the applicants on the committee's recommended list. If the council proposes a change in amount from the committee's recommendation, the council shall submit their proposal to the LTAC for review and comment. The submission must occur 45 days before final action on the proposed distribution. The LTAC shall submit comments back to the council prior to final action by the council.

HISTORY:

The City has been collecting lodging tax since 2005. Lodging tax revenues are to be used for tourism promotion.

ALTERNATIVES
<ol style="list-style-type: none">1. Reject the committee's recommendations2. Take no action3. Remit back to the committee for further review
RECOMMENDED MOTION:
I move to approve the funding of the selected applications totaling \$146,158 as recommended by the Lodging Tax Advisory Committee.

2017 Hotel/Motel Grant Application

Project Sponsor/Contractor	Project Title	Total Project	Match	66%	Amount Requested	Committee Recommends	AVERAGE RATING
Stillaguamish Valley Genealogical Society	<u>Northwest Genealogy Conference</u>	\$ 129,000	\$ 89,000 69%	\$ 85,140	\$ 40,000	40,000	86
Arlington Fly-In	<u>Annual Fly-In</u>	\$ 86,500	\$ 56,500 65%	\$ 57,090	\$ 30,000	30,000	79
Arlington-Smokey Point Chamber of Commerce	<u>Visitor Information Center</u>	\$ 72,858	\$ 58,858 81%	\$ 48,086	\$ 14,000	14,000	73
Arlington-Smokey Point Chamber of Commerce	<u>Coupon Book Publication</u>	\$ 8,300	\$ 2,800 34%	\$ 5,478	\$ 5,500	5,478	66
Arlington-Smokey Point Chamber of Commerce	<u>Cascade Loop Membership</u>	\$ 7,500	\$ 2,500 33%	\$ 4,950	\$ 5,000	4,950	65
City of Arlington-Park & Rec	<u>Arlington-Stillaguamish Eagle Festival</u>	\$ 15,516	\$ 10,716 69%	\$ 10,241	\$ 4,800	4,800	65
Vision for a Cure	<u>Arlington Brew Fest</u>	\$ 7,500	\$ 5,000 67%	\$ 4,950	\$ 2,500	2,500	55
Arlington Arts Council	<u>Enhancing Arlington Art & Music</u>	\$ 40,000	\$ 20,000 50%	\$ 26,400	\$ 20,000	10,000	53
DABA	<u>Annual Events</u>	\$ 30,800	\$ 10,210 33%	\$ 20,328	\$ 20,590	10,119	46
Arlington-Smokey Point Chamber of Commerce	<u>4th of July Grand Parade</u>	\$ 8,820	\$ 3,820 43%	\$ 5,821	\$ 5,000	5,000	40
City of Arlington-Park & Rec	<u>Summer Outdoor Recreation Series</u>	\$ 12,060	\$ 3,390 28%	\$ 7,960	\$ 7,900	7,311	34
City of Arlington-Park & Rec	<u>Olympic Ave Sound System Phase II</u>	\$ 14,450	\$ 8,450 58%	\$ 9,537	\$ 6,000	6,000	26
City of Arlington-Park & Rec	<u>Pocket Park In Downtown Parking Lot</u>	\$ 9,350	\$ 3,350 36%	\$ 6,171	\$ 6,000	6,000	29
Arlington-Smokey Point Chamber of Commerce	<u>Smokey Point Carnival</u>	\$ 8,777	\$ 2,300 26%	\$ 5,793	\$ 6,477	-	15
Arlington-Smokey Point Chamber of Commerce	<u>Old Fashion Kids 4th of July Carnival</u>	\$ 2,175	\$ 500 23%	\$ 1,436	\$ 1,675	-	14
Rotary	<u>4th of July Fireworks Display</u>	\$ 7,700	\$ 2,533 33%	\$ 5,082	\$ 5,167	-	10
Wounded Warrior Project	<u>An Evening of Honor Concert</u>	\$ 12,726	\$ 8,000 63%	\$ 8,399.22	\$ 4,726	Not eligible	Not eligible
		\$ 474,032	\$ 287,935	\$ 312,861	\$ 185,335	\$ 146,158	
						\$ 160,000	
						\$ (13,842)	