

LODGING TAX ADVISORY COMMITTEE

Overview

- **History**
- **Mission**
- **Accomplishments 2015/2016**
- **Focus 2017/18**
- **Budget**
- **Relevance & Significance**

LODGING TAX ADVISORY COMMITTEE

History & Mission

- Created in 1997 under SSB 5867 under 67.28 RCW
- City Ordinance # 98-322 1% tax on a occupied hotel/motel room per night

***Mission is to Promote and Market
Tourism in Federal Way***

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State Requirements

- **Tourism Marketing**
- **Marketing & Operations of Special Events and Festivals to attract tourists**
- **Support operations and capital expenditures of tourism –related facilities owned or operated by a municipality or public facilities district**
- **Support “operations” of tourism related facilities**

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City Requirements

GRANTS CAN BE USED FOR:

advertising and promotional expenses; purchase and/or rental of venues, equipment and materials required for event production; talent or collateral fees; planning, production, and event-staffing costs;

GRANTS CANNOT BE USED FOR:

tournament entry fees, team travel, uniforms, give away items, (including trophies, t-shirts, food, etc.) permanently held equipment, staff salaries, facility upgrades or capital campaigns. In addition, this fund will not be used to cover any regular operating expenses of the organization that otherwise would occur regardless of the specific event or nonevent program.

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Accomplishments 2015/16

- **Defined Work Program**
- **TEG, (Reconciled Grants & Alignment with FY)**
- **Website Update**
- **Digital Welcome Sign**
- **Begin Hospitality Education & Training Program**
- **TPA Legislation**
- **Stakeholder Outreach**

**Wild Waves/Enchanted Village, King County Aquatic Center, Pacific Bonsai
Rhododendron Species Botanical Garden, Dash Point State Park, PowellsWood,
Historical Society, MAST, Visit Seattle, Seattle Sports Commission**

- **Support Historical Society**
- **Prep for Major Events, Special Olympics 2018, NCAA's & Olympic Trials, Korean Athletic Competition and World Bonsai Congress convention**

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Focus 2017/18

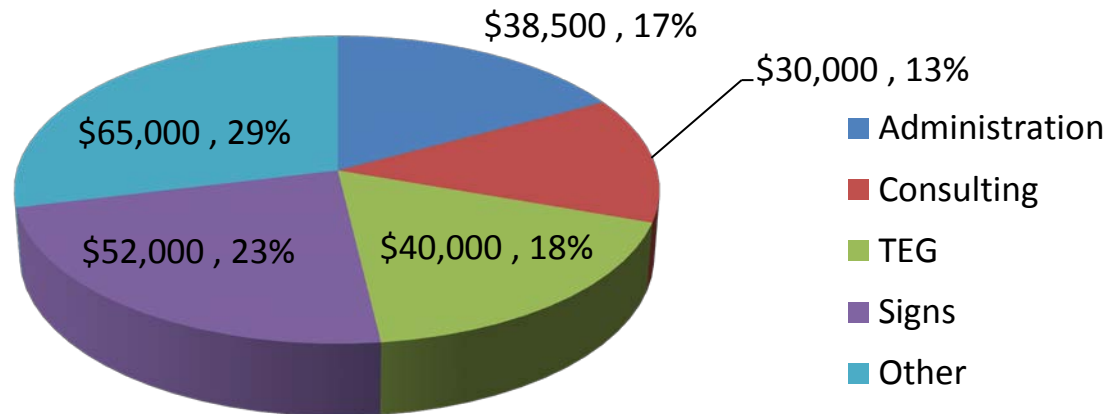
- **Administration**
- **Tourism Enhancement Grants**
- **Website**
- **Hospitality Education and Training**
- **Outreach to Stakeholders**
- **Additional Digital Welcome Sign**
- **Update Way Finding Signs**
- **Preparations for Major Events**

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Budget

\$225,700

\$38,500 for Administration, \$30,000 for Consulting, \$40,000 for Tourism Enhancement Grants, \$52,000 for Wayfinding and Digital Welcome Signs and \$65,000 for NCAA's, Olympic Trials & Special Olympics

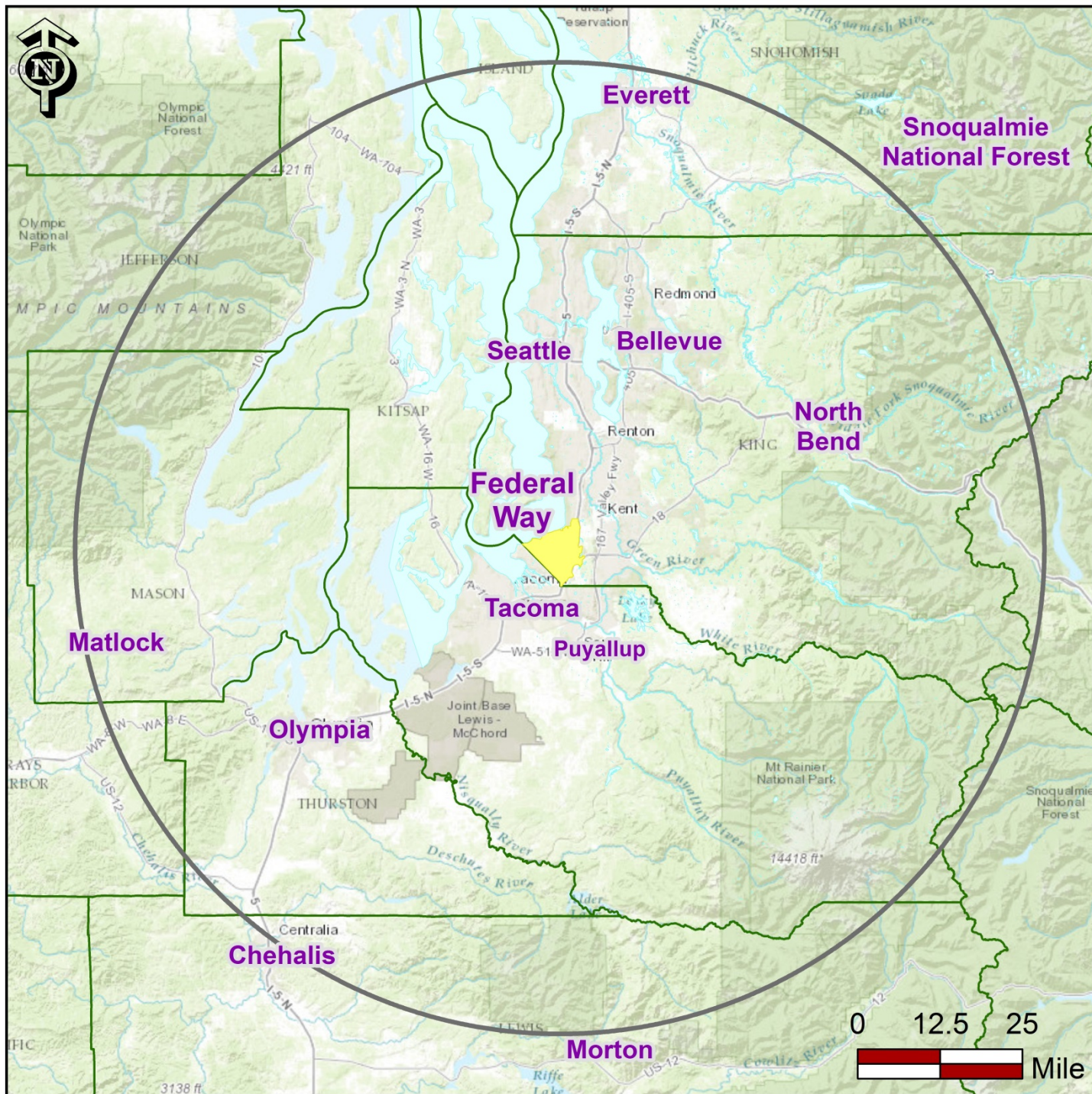


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Relevance & Significance

Key State Legislative Changes 2013:

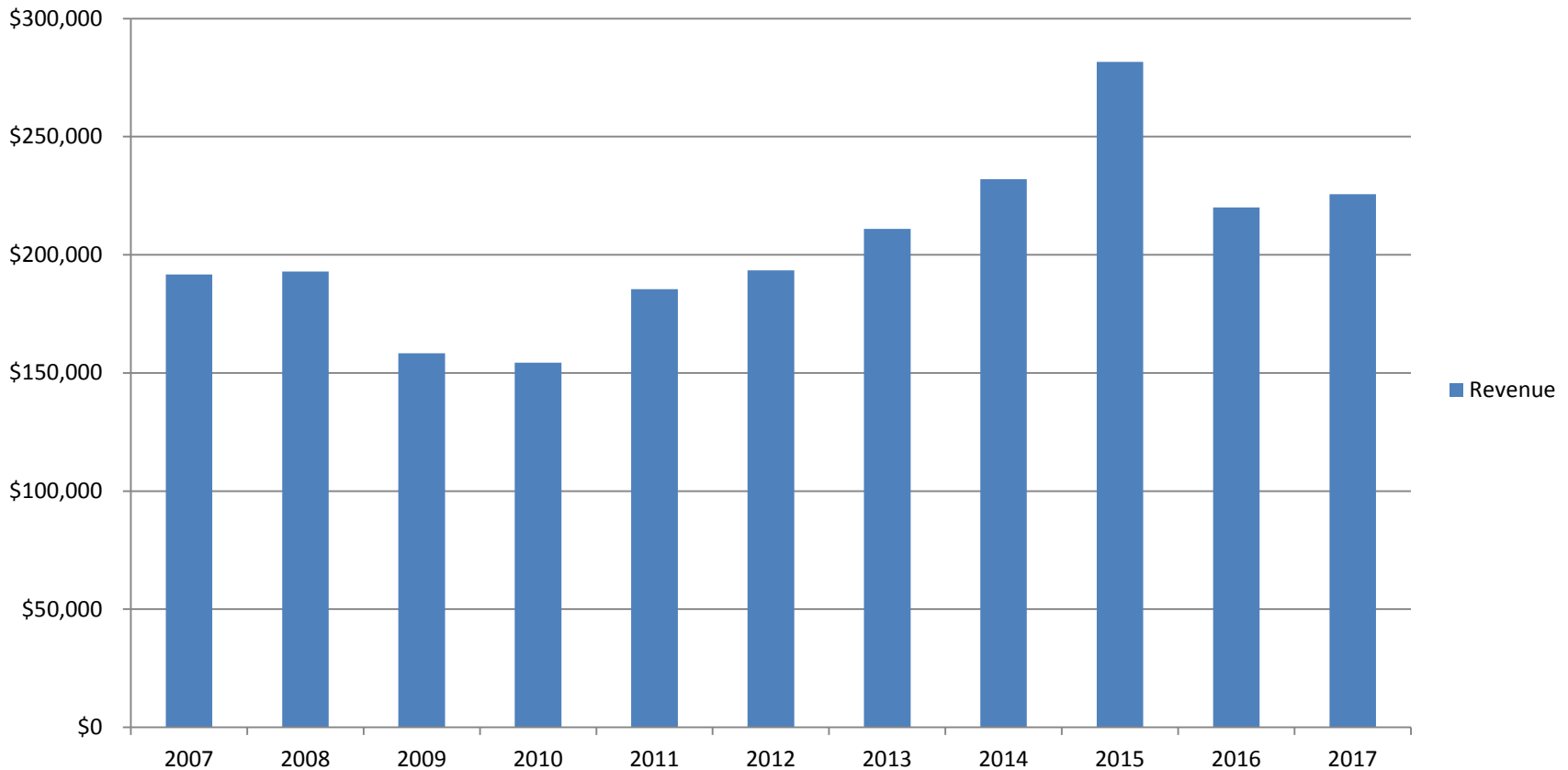
- **Definition of a Tourist, is a either for business or leisure. It is an individual(s) that leave their place of residence or business and travel 50 miles or more and stay over night**
- **Capital expenditures for tourism-related facilities owned by nonprofit organizations are no longer permitted expenditures of lodging tax funds.**



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Relevance & Significance

Revenue



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Relevance & Significance

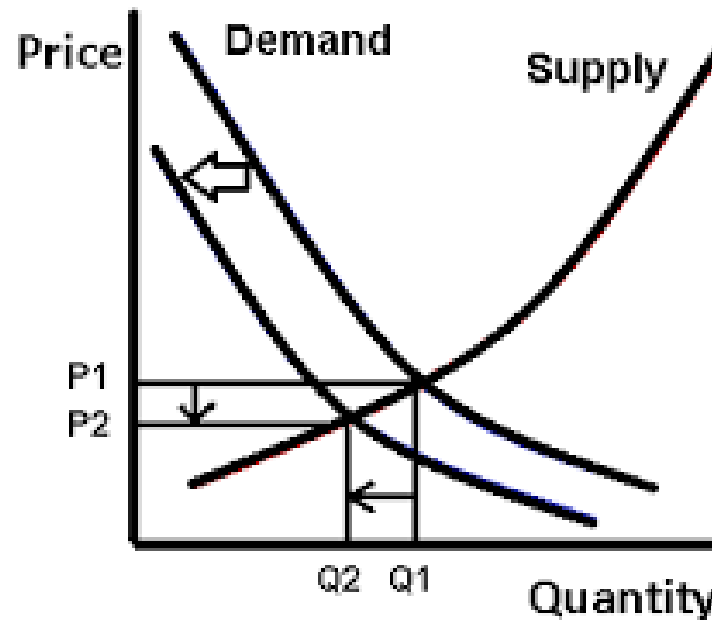
- **Increase in Demand**
- **Increase in Price**
- **Decrease in Supply**

We have an estimated annual inventory 365,000 hotel rooms, 62% occupancy.

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Relevance & Significance

Graph 2: Decrease in Demand



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Direction Towards Solution

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