



INFORMATIONAL MEMORANDUM

TO: Planning & Community Development Committee

FROM: Brandon Miles, Business Relations Manager

CC: Mayor Ekberg

DATE: January 11, 2022

SUBJECT: Tourism Workplan for 2022

ISSUE

Briefing on the 2022 Tourism Workplan, a subcategory of the Economic Development workplan.

BACKGROUND

Attached is a copy of the 2022 workplan that Economic Development staff is using to guide their work for tourism activities. As a reminder, the City collects a 1% lodging tax on eligible hotel/motel/Airbnb stays in the City. Under State law these funds can only be used for tourism promotion activities.

DISCUSSION

This item is intended as an opportunity for the Committee to ask questions and discuss items on the 2022 tourism workplan of the Economic Development division of the Mayor's Office.

FINANCIAL IMPACT

None. The workplan does not fund any specific activities. Future funding request will come to the Committee for its review and recommendation to the full Council.

RECOMMENDATION

Information Only.

ATTACHMENTS

- 2022 Workplan for Tourism
- Draft Six Year Financial Plan



Tourism 2022 Workplan

Activity	Tentative Dates	Notes
Continue Partnership with SSRTA and cities of Des Moines and SeaTac on regional branding and marketing.	Ongoing.	<ul style="list-style-type: none"> 100% of the TPA Fee collected in the City of Tukwila is used for this activity.
Experience Tukwila digital initiative, includes social media, website, e-newsletter, and content creation.	Ongoing.	<ul style="list-style-type: none"> Not yet funded for 2022. \$140K funding request pending.
Seattle Seawolves Partnership	Ongoing	<ul style="list-style-type: none"> Not yet funded for 2022. Suggested \$40K to continue 2021 scope of service and additional activities.
Spice Bridge Internal Art Mural	Spring	<ul style="list-style-type: none"> Funded through the small grants application.
Tukwila Pond	Ongoing	<ul style="list-style-type: none"> No lodging tax funds likely needed for 2022.
<p>Gut Check Wrestling Tournament</p> <p>Canceled due to rise in COVID-19 cases in December. No City funds expended for the event.</p>	December 30 through January 1	<ul style="list-style-type: none"> Funded. Activity is in Kent, with a requirement that it use Tukwila hotels.
2022 Copa Surf Cup	Mid-June	<ul style="list-style-type: none"> Funded. Tournament will be held at Starfire Sports. Partnership with SSRTA for room bookings. \$15 room rebate offered.
World Cup Planning	Spring	<ul style="list-style-type: none"> Will likely know if Seattle is a selected venue for the 2026 World Cup in March. Starfire will likely be used for training for teams.
Wayfinding Plan	Spring	<ul style="list-style-type: none"> Release RFP and complete creation of wayfinding plan. Not yet funded, but included in six year financial plan.
Rave Green Run	September	<ul style="list-style-type: none"> Tentative.
Food Truck Rally #1	Summer, TBD	Partnership with Westfield Southcenter and Culinex
Food Truck Rally #2	Summer, TBD	Partnership with Westfield Southcenter
Southcenter Art	TBD	Not funded, \$75,000 is budgeted for 2022. Want to look at the UW District model.
Third Party Event Support	Ongoing	Have reached out to the RuPaul Drag Race to see about a 2022 concert. Basketball tournament has expressed interest in doing an event in August.

Updated, January 6, 2022

Jurassic World Exhibition	October-December	Tentative. Large traveling Jurassic Park themed event (jurassicworldexhibition.com)
Museum of Flight Partnership	Ongoing	Not yet funded.
Seattle Sports Commission Partnership	Ongoing	Not funded for 2022. Consider exploring an enhanced package of support.
Portable Ice Area	January and February of 2023	Explore bringing a facility to the City. Would need significant sponsorship from third parties and willing property owner.

Tourism Funding, Six Year Financial Plan

DRAFT - Updated March 3, 2021

	2020	2021	2022 Updated	2022	2023	2024	2025	Totals, '22-'25
Tourism Revenue								
Lodging Tax	\$ 292,358	\$ 400,000	\$ 450,000	\$ 450,000	\$ 600,000	\$ 700,000	\$ 800,000	\$ 2,550,000
Cares Act Reimbursement:	\$ 30,878	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues:	\$ 323,236	\$ 400,000	\$ 450,000	\$ 450,000	\$ 600,000	\$ 700,000	\$ 800,000	\$ 2,550,000
Tourism Expenses								
Marketing, Sales, and Sponsorships								
Sponsorships	\$ -	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 600,000
Small Events	\$ -	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 60,000
erience Tukwila, Branding and Marketing, Visitors	\$ 88,375	\$ 100,000	\$ 140,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 300,000
World Cup Planning and Activation	\$ -	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 200,000
COVID-19 Response								
SavingLocalKC.com	\$ 123,539	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SSRTA Emergency Funding	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Showare Sponsorship	\$ -	\$ -	\$ 15,000	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000
Seattle Southside Chamber of Commerce	\$ 20,000	\$ 30,000	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -
Destination Development								
Wayfinding Plan Development and Installation	\$ -	\$ 100,000	\$ 100,000	\$ 150,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 450,000
Southcenter Art Investments	\$ 39,400	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 300,000
Tukwila Pond	\$ 9,572	\$ 115,428	\$ 100,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 800,000
General Administration								
Salary and Benefits	\$ -	\$ 78,802	\$ 79,978	\$ 79,463	\$ 81,847	\$ 84,302	\$ 86,831	\$ 89,436
City Overhead Charge	\$ 18,540	\$ 24,008	\$ 25,231	\$ 25,231	\$ 25,988	\$ 26,768	\$ 27,571	\$ 28,398
Administrative	\$ -	\$ 23,350	\$ 28,750	\$ 28,750	\$ 30,000	\$ 30,000	\$ 30,000	\$ 118,750
Total Expenditures:	\$ 299,426	\$ 786,588	\$ 778,959	\$ 863,444	\$ 802,835	\$ 806,070	\$ 809,402	\$ 3,281,751
Beginning Fund Balance:	\$ 1,931,000	\$ 1,954,810	\$ 1,802,413	\$ 1,802,413	\$ 1,473,454	\$ 1,270,619	\$ 1,164,549	\$ 1,164,549
Ending Fund Balance:	\$ 1,954,810	\$ 1,568,222	\$ 1,473,454	\$ 1,388,969	\$ 1,270,619	\$ 1,164,549	\$ 1,155,147	\$ 1,155,147

Notes

This document does not bind the City to provide funds nor does it authorize any funding. All use of lodging tax funds must be approved by LTAC and the City Council through an application process.

The shaded cells indicate approved applications.

The lodging tax revenues are estimated as of May 7, 2020 and reflect staff's prediction based on COVID-19.

TPA revenue estimate assumes 29% of the fees collected within the three city Tourism Promotion Area were collected by Tukwila hotels. TPA revenue for 2020 and 2021 is based on the SSRTA's revised, adopted budget. After 2021 revenues are staff estimates.

Salary/Benefits for Business Relations Manager is split 50/50 between general fund and lodging tax and is estimated to increase 3% annually after 2022.

The City overhead charge is charged to all special funds. It recoups the cost to the general fund to support the lodging tax fund. It includes facilities, technology, legal, accounting, and record keeping services and is estimated to increase 3% annually after 2022.

Because 100% (less 1% Department of Revenue Fee) of all TPA revenue is estimated to be passed through to the SSRTA, the Ending Fund Balance is only lodging tax funds.

CARES Act Funds provided as reimbursement for staff time associated with emergency response.

For 2020, preliminary actuals are provided, but are not yet confirmed.