



INFORMATIONAL MEMORANDUM

TO: **Planning and Community Development**

FROM: **Brandon Miles, Business Relations Manager**

CC: **Mayor Ekberg**

DATE: **November 14, 2022**

SUBJECT: **Lodging Tax Funding Requests**

ISSUE

Review of lodging tax funding requests from the City of Tukwila, Office of Economic Development for Experience Tukwila, the City of Tukwila Operations, and to support the Seattle Seawolves.

BACKGROUND

The City collects a 1% lodging tax on certain qualifying overnight stays in paid accommodations (hotels/motels/Airbnb) in the City. State law limits the use of these funds to tourism promotion¹. There is currently just over \$1 million in lodging tax funds available for use.

The City's Lodging Tax Advisory Committee (LTAC) reviews all requests for use of lodging tax funds. LTAC then forwards a list of recommended applications to the City Council for its review and consideration. If LTAC does not recommend an application be funded, that application is not forwarded to the City Council. The City Council may approve or deny any of the applications recommended by the LTAC. The City Council may also approve an application and increase or decrease the dollar amount awarded².

The City accepts applications on a rolling basis, with the LTAC reviewing requests monthly.

Pending Applications

At its October 28, 2022 meeting, the LTAC recommended approval of three funding request by the Office of Economic Development for the City of Tukwila.

¹ RCW 67.28.080 (6) defines "tourism promotion" as "...activities, operations, and expenditures designed to increase tourism, including but not limited to advertising, publicizing, or otherwise distributing information for the purpose of attracting and welcoming tourists; developing strategies to expand tourism; operating tourism promotion agencies; and funding the marketing of or the operation of special events and festivals designed to attract tourists."

² On August 17, 2016, the Washington State Attorney General's Office issued an informal opinion regarding whether a municipality could change the dollar amounts recommended by the local lodging tax advisory committee. Specifically, the informal opinion states:

"When awarding lodging tax revenues pursuant to RCW 67.28.1816(2)(b)(ii), a municipality may award amounts different from the local lodging tax advisory committee's recommended amounts, but only after satisfying the procedural requirements of RCW 67.28.1817(2), according to which the municipality must submit its proposed change to the advisory committee for review and comment at least forty-five days before final action on the proposal."

1. City of Tukwila, Experience Tukwila, (\$190,000)

In 2020 the City of Tukwila launched the Experience Tukwila digital initiative. The initiative includes a dedicated website ExperienceTukwila.com and social media. The goal is to promote the City of Tukwila to consumers primarily within 50 miles of the City, including hotel guests who are already in the area. The City is seeking funding to continue contractor services to run the day-to-day operations of Experience Tukwila and to expand content development.

Experience Tukwila was in full operation by spring of 2021, with the website ExperienceTukwila.com going live. Experience Tukwila has provided the City and the Tukwila community a much needed marketing tool to promote the City. Through Experience Tukwila the City has been able to:

1. Promote special events, such as Juneteenth, on a website dedicated to promoting the City versus using the City's government website.
2. The ability to put positive social media stories out when people look up Tukwila.
3. Social media interactions with local media, specifically sports reporters.

The City contracts with a marketing agency to manage the day-to-day operations of Experience Tukwila, maintain the website, strategy development, project management, and content creation. The current firm is True Blue Strategies and they have provided great, timely work to build out the Experience Tukwila brand.

The 2023 funding request will provide the following:

1. Monthly operations of Experience Tukwila, including social media content creation, website maintenance, and project management.
2. One-time items, including website refresh, photo shoot, video creation, and a refresh of the email template.
3. Funding to hire an intern in the summer to assist with social media production and promotion.

LTAC Recommendation on Application: Do Fund

Staff Recommendation on Application: Do Fund.

2. City of Tukwila, 2022 Operations (Two-Year) (\$338,048)

This application is a two-year funding request to support the overall operations of the City's tourism program and includes funding for staffing³, operational activities, funding for small sponsorships, professional services, and reimbursement to the general fund for the indirect cost allocation.

LTAC Recommendation on Application: Do Fund

Staff Recommendation on Application: Do Fund.

³ No additional staffing is proposed, lodging tax funds supports .5 FTE of an existing employee in the Office of Economic Development.

3. City of Tukwila, 2022 Seawolves Partnership (Two-Year) (\$150,000)

The City of Tukwila is requesting lodging tax funds to partner with the Seattle Seawolves for the team's 2023 and 2024 seasons. The Seawolves are a professional rugby team in Major League Rugby (MLR). The team trains in Tukwila and plays all its home games at Starfire Sports. The Seawolves are the most successful and dominate team in MLR rugby, having played in three championships games and winning two of them. Rugby as a hold is growing in the United States, with the US set to host the World Cup in 2031 for men's and 2033 for women's.

The City provided \$40,000 in funding in 2022. Staff is requesting a total of \$150,000 (\$75,000 per year) through 2024 to execute a sponsorship agreement with the Seawolves. Prior to the pandemic the Seawolves were averaging 4,000 attendees per home match. Towards the end of 2022 the team started to see a return to its significant fan base.

The Seawolves have a very strong digital following and a growing brand identity in the Seattle metro region. Through Experience Tukwila digital accounts, the City has done significant campaigns and posts to highlight the team, rugby, and the City. Moving forward staff wants to start planting the flag that Tukwila is "Rugby City USA."

In 2023 and 2024 the City would partner with the Seawolves on initiatives that focus on four distinct areas:

1. Drive Head in beds. Tukwila hotels will be the official hotel for away teams for the 2022 and 2023 seasons.
2. Drive More Traffic to Area Businesses. As we hopefully emerge from COVID-19 it is important that we help highlight that our restaurants and retailers are open in order to get our market share back. In person attendance at game will be limited due to restrictions in place for COVID-19. The Seawolves have been very supportive of promoting the City via its own social media channels.
3. Building the Tukwila Brand. The Seawolves have a strong and growing brand in the Seattle region. Additionally, the Seawolves have a very strong brand following by millennials and families, part of the City's overall target audience for branding. The City's internal brand essence is "Accessible Fun." The Seawolves games are easily "accessible fun." The game are reasonably priced, fun, and safe for families.
4. Rugby Community. The City also has an opportunity to build a rugby brand. Like we have done for soccer, Tukwila could be known as the epicenter of soccer in the Pacific NW. Supporting the Seawolves can help attract more rugby matches to the City. In 2021 our relationship with the Seawolves resulted in introductions to the Rugby 7 organizers and the XV Series, both of these activities called Tukwila home for their matches. We want to work to known as Rugby City USA.

LTAC Recommendation on Application: Do Fund

Staff Recommendation on Application: Do Fund.

FINANCIAL IMPACT

The total request for the two lodging tax applications will not exceed \$678,048 over two years. No general funds dollars will be used for these funding allocations. The funding allocations are consistent with the six-year financial plan, which was reviewed by the PCD committee on June 6, 2022.

2023 Tourism Six-Year Financial Plan Allocation	
Experience Tukwila:	\$190,000
Experience Tukwila (Pending):	(\$190,000)
Remaining Funds:	\$(65,000)

2023 Tourism Six-Year Financial Plan Allocation	
Basic Operations:	\$162,890
Experience Tukwila (Pending):	(\$166,150)
Remaining Funds:	\$(3,260)

There are sufficient unused funds from 2022 to accommodate the small, additional spend.

2024 Tourism Six-Year Financial Plan Allocation	
Basic Operations:	\$168,648
Experience Tukwila (Pending):	(\$171,898)
Remaining Funds:	\$(3,250)

The operations application is a two-year funding request for a total of \$331,538. Unused funds from year 1 carry into year 2. Staff is confident that the total expenditure for the two years will be lower than the combined two year funding request of \$331,538

2023 Tourism Six-Year Financial Plan Allocation	
Sponsorships:	\$150,000
City of Tukwila, Copa Surf Cup (Approved)	(\$25,000)
Seattle Seawolves (Pending)	(\$75,000)
Remaining Sponsorship Funds:	\$50,000

2024 Tourism Six-Year Financial Plan Allocation	
Sponsorships:	\$150,000
Seattle Seawolves (Pending)	(\$75,000)
Remaining Sponsorship Funds:	\$50,000

RECOMMENDATION

Staff recommends that the Committee approve the pending funding requests and forward to the December 5, 2022 consent agenda. The contract with the Seattle Seawolves will be over \$40,000 and will require approval by the Council. Staff would like permission to bypass committee and place the contract on a consent agenda once it's ready for review and approval

ATTACHMENTS

1. Lodging Tax Application, City of Tukwila, Experience Tukwila
2. Lodging Tax Application, City of Tukwila, Basic Operations
3. Lodging Tax Application, City of Tukwila, Seattle Seawolves
4. Lodging Tax Six Year Financial Plan

Application to the City of Tukwila for Use of 2023 Lodging Tax Funds

Event or Activity Name (if applicable):	Experience Tukwila
Amount of Lodging Tax Requested:	\$190,000
Applicant Organization:	City of Tukwila
Federal Tax ID Number:	91-600159
Mailing Address:	Office of the Mayor 6200 Southcenter Blvd Tukwila, WA 98188
Primary Contact Name:	Brandon Miles
Primary Contact Phone:	(206) 731-9071
Primary Contact Email Address:	Brandon.Miles@Tukwilawa.gov

Check all the service categories that apply to this application:

Tourism promotion or marketing.

Operation of a special event or festival designed to attract tourists.

Operation of a tourism-related facility owned or operated by a non-profit organization.

Operation and/or capital costs of a tourism-related facility owned by a municipality or a public facilities district.

Check which one of the following applies to your agency:

Non-Profit (Note: Attach a copy of your current non-profit corporate registration from the Washington Secretary of State Office)

Municipality

For Profit Corporation

I am an authorized agent of the organization/agency applying for funding. I understand that:

- I am proposing a tourism-related service for 2023. If awarded, my organization intends to enter into a services contract with the City; provide liability insurance for the duration of the contract naming the City as additional insured and in an amount determined by the City; and file for a permit for use of City property, if applicable.
- My agency will be required to submit a report documenting economic impact results in a format determined by the City.

Signature: /s/

Date: 10/26/22

1. Describe your tourism-related activity or event.

In 2020 the City of Tukwila launched the Experience Tukwila digital initiative. The initiative includes a dedicated website, ExperienceTukwila.com and social media. The goal is to promote the City of Tukwila to consumers, primarily within 50 miles of the City, including hotel guests who are already in the area. The City is seeking funding to continue to contract with a third party to run the day-to-day operations of Experience Tukwila and to expand content development.

Experience Tukwila was in full operation in spring of 2021, with the website, ExperienceTukwila.com going live. Experience Tukwila has provided the City and the Tukwila community a much needed marketing tool to promote the City. Through Experience Tukwila the City has been able to:

1. Promote special events, such as the Juneteenth, on a website dedicated to promoting the City versus using the City’s government website.
2. The ability to push positive social media stories out to people about Tukwila, such as the news that the OL Reign will move their training facility to Starfire Sports.
3. Social media interactions with local media, specifically sports reporters, sports teams and has started to engage with local influencers.
4. Pushing out videos by the City and third parties to promote the City.

The City contracts with a marketing agency to manage the day-to-day operations of Experience Tukwila, which includes maintaining the website, strategy development, project management, special projects and content creation. The current firm is True Blue Strategies and they have provided great, timely work to build out the Tukwila brand.

The 2023 funding request will provide the following:

1. Monthly operations of Experience Tukwila, including social media content creation, website maintenance, and project management.
2. One-time items, including a website update, photo shoot, and other special projects.
3. Hiring of a high school or college intern to assist with social media creation. Instagram and Facebook have begun to prioritize reels over static photo posts. An intern would be a cost-effective way of generating reels and expanding the City’s social media presence to TikTok.

2. If an event, list the event name, date(s), and projected overall attendance.

N/A

3. Is your event/activity/facility focusing on attracting overnight tourists, day tourists, or both?

This is a pure branding and marketing initiative. The geographic focus are consumers within 50 miles of the City. This could include household, employees, and overnight guests who are already in the area. For outside the 50 miles radius the City partners with the cities of SeaTac and Des Moines through Seattle Southside RTA. Experience Tukwila provides another source of content for SSRTA, Visit Seattle, and other partners to share on their social media and digital platforms.

4. Describe why visitors will travel to Tukwila to attend your event/activity/facility.

Tukwila’s central location, its transportation connections, and mass transit makes Tukwila a great and easily accessible destination to get away for a day or an overnight trip. The City is home to nearly 200 restaurants, the largest mall in the Pacific NW, Starfire Sports, and the Museum of Flight. The City has had success is bringing people to the City. The goal of Experience Tukwila is to get people to come more often, stay longer, and realize they are in Tukwila (versus other cities).

5. Describe the geographic target of the visitors you hope to attract (locally, regionally, nationally, and/or internationally).

Primary within 50 miles of the City; however, hotel guests throughout the region are part of the target audience.

6. Describe the prior success of your event/activity/facility in attracting tourists.

	2021 Totals	2022 Goals (set in 2021 application)	2022 Actuals (Through August 31, 2022)	2023 Targets
Website Visitors	5,193	20,000	4,915	10,000
Page Views	9,477	30,000	7,154	30,000
Total Social Media Followers	2,533	10,000	2,946	10,000
Total Social Media Impressions	808,401	1,000,000	483,393,	1,000,000
Total Social Media Engagement	8,060	20,000	6,568	20,000

The 2022 projected estimates were higher than will actually be achieved this year. This is most likely a reflection that staff was basing the 2022 projects on one partial year of data. Total followers on social

media to date is up over 16% compared to 2021 totals. One of the reasons social media engagements may be down is due to Facebook and Instagram prioritizing reels over static images. Staff has been doing a limited number of reels and will be releasing a reel created by a influencer in the next couple of weeks. To address the reel issue, staff is proposing to bring on a high school or college intern to make reels for the City.

The City has had success in social media posts regarding specific events, such as Juneteenth, the Seattle Seawolves, and Seattle Chocolate Haunted Factory Tour. Additionally, the City sponsored the Miss Washington Contest which resulted in the candidates having dinner at Spice Bridge and then posting Instagram reels and posts about the dinner.

7. If this your first time holding the event/activity/facility provide background on why you think it will be successful.

In 2020 and 2021 our goal for Experience Tukwila was to get the social media and website up and running. In 2022 the goal was to improve the operations and get a year of operation on hopefully the downside of the pandemic. One of goals was to create more authentic content for Experience Tukwila, which we have done with blog posts about the Seawolves and Sounders and utilizing influencers to promote Experience Tukwila on third party sites.

Our goals for 2022 include:

1. Building out more authentic content.
2. Creating more reels and videos for social media use.
3. Engaging with more third parties to help promote the City.

8. Describe how you will promote lodging establishments, restaurants, retailers, and entertainment establishments in the City of Tukwila.

Experience Tukwila promotes the City's various lodging, restaurants, retailers, and entertainment establishments. ExperienceTukwila.com features pages for each specific category mentioned above.

9. Is the City able to use your digital and print media for collaborative marketing?

Yes.

10. Describe how you will use the name, "Tukwila" in publications, promotions, and for your event?

Experience Tukwila is all about Tukwila. The brand is focused on the Tukwila name.

11. Measurements and Metrics (Note: You will be required to report these metrics as part of the close out of the agreement between your organization and the City.)

	2021 Totals	2022 Goals (set in 2021 application)	2022 Actuals (Through August 31, 2022)	2023 Targets
Website Visitors	5,193	20,000	4,915	10,000
Page Views	9,477	30,000	7,154	30,000
Total Social Media Followers	2,533	10,000	2,946	10,000
Total Social Media Impressions	808,401	1,000,000	483,393,	1,000,000
Total Social Media Engagement	8,060	20,000	6,568	20,000

As a direct result of your proposed tourism-related service, provide an estimate of:	
a. Overall attendance at your proposed event/activity/facility.	1,000,000 social media impressions.
b. Number of people who will travel fewer than 50 miles for your event/activity.	90% However, hotel guests in the Greater Seattle area are also a focus of Experience Tukwila.
c. Number of people who will travel more than 50 miles for your event/activity.	10% (see note above)
d. Of the people who travel more than 50 miles, the number of people who will travel from another country or state.	5%

e. Of the people who travel more than 50 miles, the number of people who will stay overnight in Tukwila.	5%
f. Of the people staying overnight, the number of people who will stay in PAID accommodations (hotel/motel/bed-breakfast) in Tukwila.	1,000
g. Number of paid lodging room nights resulting from your proposed event/ activity/facility (for example: 25 paid rooms on Friday and 50 paid rooms on Saturday = 75 paid lodging room nights)	3,000

12. What methodologies did you use to calculate the estimates and what methodologies will you use to track outcomes, such as total participants, estimated visitor spending, etc.?

The impressions outlined above are a forecasted amount for 2023. The forecast is built on the limited historical data we currently have for 2020, 2021, and 2022.

It is important to remember that Experience Tukwila is a pure marketing and branding effort. Tracking actual hotel stays and visitors spending through such efforts can be difficult and at best can only show a caution, not causation.

For overall success of Experience Tukwila, we intend on tracking the following metrics.:

	2021 Totals	2022 Goals (set in 2021 application)	2022 Actuals (Through August 31, 2022)	<u>2023 Targets</u>
Website Visitors	5,193	20,000	4,915	<u>10,000</u>
Page Views	9,477	30,000	7,154	<u>30,000</u>
Total Social Media Followers	2,533	10,000	2,946	<u>10,000</u>
Total Social Media Impressions	808,401	1,000,000	483,393,	<u>1,000,000</u>
Total Social Media Engagement	8,060	20,000	6,568	<u>20,000</u>

13. Are you applying for lodging tax funds from another community? If so, which communities and in what amounts?

No.

14. Are you applying funding from Seattle Southside Regional Tourism Authority (SSRTA)? If so, in what amount?

No.

15. What is the overall budget for your event/activity/facility? What percent of the budget are you requesting from the City of Tukwila?

The following outlines the draft budgeted items for Experience Tukwila for 2022. The final numbers are still subject to negotiation with the contractor.

2022 Experience Tukwila DRAFT Budget	2023 Estimated Costs (Monthly)	2023 Estimated Costs (Annually)
Project Management	\$1,080	\$12,960
Social Media Content Creation	\$4,860	\$58,320
Website Content Update	\$2,160	\$25,920
Email Marketing	\$1,080	\$12,960
Ad Buys	\$415	\$4,980
	Subtotal Ongoing Expenses:	\$115,140

Special Projects	
Video Creation	\$15,000
Photoshoot	\$15,000
Website refresh	\$0 (completed in 2022).
SEO	\$5,000
Email Template	\$1,500 (was scheduled for 2022, but the funds were use instead to acquire more email address targets).
Extra Labor (Intern)	\$10,000

Subtotal:	\$61,500
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Annual Ongoing Costs:	\$115,140
Onetime Items:	\$61,500
Contingency and Ad Buys	\$13,360
Total Costs:	\$190,000

16. What will you cut from your proposal or do differently if full funding for your request is not available or recommended?

We would likely eliminate the contract with the third party to manage the day-to-day activities of Experience Tukwila. This would likely reduce our posts and updates of the pages impacting quality of the media.

Completed applications should be submitted to:

Lodging Tax Advisory Committee
 c/o Brandon Miles
 City of Tukwila
 6200 Southcenter Blvd
 Tukwila, WA 98188

Or,

Brandon.Miles@Tukwilawa.gov

Questions?

LTAC Contact:
 Brandon J. Miles
 (206) 431-3684
Brandon.Miles@Tukwilawa.gov.

Updated: January 5, 2021

Application to the City of Tukwila for Use of 2023 Lodging Tax Funds

Event or Activity Name (if applicable):	2023 and 2024 City of Tukwila, General Administration, Small Marketing, Small Event Support, Indirect Cost Reimbursement, and labor costs.
Amount of Lodging Tax Requested:	\$338,048 (\$166,150 for 2023 and \$171,898)
Applicant Organization:	City of Tukwila, Mayor's Office
Federal Tax ID Number:	91-6001519
Mailing Address:	6200 Southcenter Blvd Tukwila, WA 98188
Primary Contact Name:	Brandon J. Miles
Primary Contact Phone:	(206) 431-3684
Primary Contact Email Address:	Brandon.Miles@Tukwilawa.gov

Check all the service categories that apply to this application:

- ✓ **Tourism promotion or marketing.**
Operation of a special event or festival designed to attract tourists.
Operation of a tourism-related facility owned or operated by a non-profit organization.
- ✓ **Operation and/or capital costs of a tourism-related facility owned by a municipality or a public facilities district.**

Check which one of the following applies to your agency:

Non-Profit (Note: Attach a copy of your current non-profit corporate registration from the Washington Secretary of State Office)

- ✓ **Municipality**

I am an authorized agent of the organization/agency applying for funding. I understand that:

- I am proposing a tourism-related service for 2023. If awarded, my organization intends to enter into a services contract with the City; provide liability insurance for the duration of the contract naming the City as additional insured and in an amount determined by the City; and file for a permit for use of City property, if applicable.
- My agency will be required to submit a report documenting economic impact results in a format determined by the City.

_____/s/_____

10/26/22

Signature:
Brandon J. Miles

Date:

1) Describe your tourism-related activity or event.

The City of Tukwila requests funding for 2023 and 2024 for administration of the City's lodging tax fund, basic small marketing activities, office supplies, limited travel, professional services, small event support, reimbursement of the City's indirect charge, and labor (half time FTE).

Funds for this application are used for general administration, staff time (half of an FTE), and related costs incurred by the City in managing its lodging tax program. In the past the funds for this application were used for the following activities intended to support the entire tourism program.

- Office Supplies;
- Professional Services;
- Small Marketing Activities;
- Small event support;
- Training and Education;
- Membership, Registration, and Subscriptions;
- Parking, Travel, and Meals; and
- Indirect Cost Allocation.
- Small Event Support

In 2020 LTAC and the City Council approved a two-year funding request by the City for our basic operations. The 2021 budget funds were \$141,160 and the 2022 budget funds are \$148,959. Lodging tax supports a .5 FTE in the office of economic development, with the remaining .5 FTE being supported by the general fund.

The City is also requesting a charge for the City's indirect cost allocation. The lodging tax fund is one of several special revenue funds managed by the City of Tukwila. Under State Law, the City is permitted to charge special revenue funds for the indirect costs that are incurred by the general fund to support and maintain these special revenue funds. These costs include, but are not limited to, legal support, accounting, insurance, technology services, human services, and office administration. Activities that are needed to support the lodging fund.

The City is also requesting small amount of the \$290,119 for small sponsorship opportunities (\$15,000 per year) throughout the year that could help build the Tukwila brand and help enhance the tourist destination. These funds have been useful in quickly sponsoring events and activities that come up throughout the year that are small in nature and reduces staff workload by not having to go through a formal application process for each small request.

In 2022 the City of Tukwila, Mayor's Office will oversee nearly \$400,000 in lodging tax funds awarded to outside groups. Each award requires a contract and ongoing oversight by City staff. The City is also managing the Experience Tukwila digital platform development and marketing, which launched this year.

2) If an event, list the event name, date(s), and projected overall attendance.

This request is not for a specific event. However, the application helps support the City's ability to use funds to support third parties and for the City to use lodging tax for possible events. Limited funds are also providing to help support small scale events and activities in the City.

3) Is your event/activity/facility focusing on attracting overnight tourists, day tourists, or both?

Both, the City uses its lodging tax funds to support marketing activities for both day and overnight visitors. These are for activities either done by the City or by third parties.

In the past the City has used its lodging tax funds to support Seattle Southside Regional Tourism Authority; events such as the Rock 'N' Roll Marathon; the Backyard Wildlife Fair; and marketing activities at the Museum of Flight and Starfire Sports. Providing funding for outside organizations requires administrative support from several departments, including Finance, City Attorney, Technology Services, City Clerk, and Economic Development.

Additionally, there are tourism related trainings, events, and memberships that the City would like to be part of. These activities help support the City's ongoing tourism efforts.

4) Describe why visitors will travel to Tukwila to attend your event/activity/facility.

N/A

The request is for funding to help support City's costs incurred by the City to administer the lodging tax fund and for expenses that are related to tourism. As discussed above, the lodging tax fund is used to support a variety of activities in the region, which bring both day and overnight visitors to the City. Costs associated, such as offices supplies, travel, parking, and education related to tourism and marketing should be charged to lodging tax and not the City's general fund.

Having access to funds for small events allows the City build its destination.

5) Describe the geographic target of the visitors you hope to attract (locally, regionally, nationally, and/or internationally).

N/A.

6) Describe the prior success of your event/activity/facility in attracting tourists

The City has a long history of success in using lodging tax funds to support a wide range of activities, including Seattle Southside Regional Tourism Authority, the Museum of Flight, Starfire Sports, and the Southwest King County Chamber of Commerce (now known as Seattle Southside Chamber of Commerce).

7) If this your first time holding the event/activity/facility provide background on why you think it will be successful.

N/A

8) Describe the media strategy you employ to promote your event/activity/facility to attract overnight and/or day tourists? Please list any digital or print media (newsletters, e-blasts, social media, etc.) your agency uses or intends to use to promote your event/activity/facility.

N/A

9) Describe how you will promote lodging establishments, restaurants, retailers, and entertainment establishments in the City of Tukwila.

N/A

10) Is the City able to use your digital and print media for collaborative marketing?

N/A

11) Describe how you will use the name, "Tukwila" in publications, promotions, and for your event?

N/A

12) Measurements and Metrics (Note: You will be required to report these metrics as part of the close out of the agreement between your organization and the City.)

As a direct result of your proposed tourism-related service, provide an estimate of:	
a. Overall attendance at your proposed event/activity/facility.	20,000
b. Number of people who will travel fewer than 50 miles for your event/activity.	19,000
c. Number of people who will travel more than 50 miles for your event/activity.	1,000
d. Of the people who travel more than 50 miles, the number of people who will travel from another country or state.	200
e. Of the people who travel more than 50 miles, the number of people who will stay overnight in Tukwila.	50

f. Of the people staying overnight, the number of people who will stay in PAID accommodations (hotel/motel/bed-breakfast) in Tukwila.	50
g. Number of paid lodging room nights resulting from your proposed event/ activity/facility (for example: 25 paid rooms on Friday and 50 paid rooms on Saturday = 75 paid lodging room nights)	200

Special Note: The numbers provided above are direct estimates for this application and related to the proposed special events part of the budget. Many of these special events will help with the City’s overall destination development goals. Existing hotel guests will be able to benefit from the activities.

Additionally, this application helps supports the City’s efforts in funding activities by third parties. Combined, these third parties marketed the City to nearly 2 million people. For example, in 2019 Starfire Sports received \$44,500 in lodging tax funds and nearly 1.2 million people visited the Starfire Sports campus. The ability to provide funding to these third parties could not occur without the City’s ability to process contracts and provide payment, which is supported by this application.

13) What methodologies did you use to calculate the estimates and what methodologies will you use to track outcomes, such as total participants, estimated visitor spending, etc?

As discussed above, the City uses its lodging tax funds to support a wide range of activities. In 2023 and 2024, the City anticipates funding a variety of activities. These funded activities have metrics, which the City will use for reporting purposes for this funding request. However, for reporting purposes the City report the metrics for these third-party applications separately. Additionally, the City’s efforts are intended to create a better tourist economy and encourage more organic visits to the City. These organic visitors are difficult to attract directly, but ultimately success can be tracked by increase sales at area businesses and increase revenue from hotels.

14) Are you applying for lodging tax funds from another community? If so, which communities and in what amounts?

No.

15) Are you applying funding from Seattle Southside Regional Tourism Authority (SSRTA)? If so, in what amount?

No.

16) What is the overall budget for your event/activity/facility? What percent of the budget are you requesting from the City of Tukwila?

Total requested funding is \$338,048 spread out over two years (see below):

The following is the proposed budget for the campaign (note funds in rows 1-11 might be moved between budget rows, but won't exceed the total amount requested).

Budget						
		2021	2022	2023	2024	
1	Office Supplies	\$750	\$750	\$ 750	\$ 750	This is for general offices supplies and for domain names holds the City has purchased.
2	Professional Services	\$12,000	\$12,000	\$ 15,000	\$ 15,000	These funds are used to assist with tourism promotion activities that might arise during the year. For example, in 2020 funds were used for the creation of a dining guide to highlight restaurants offering carryout and delivery during COVID-19, photography, Halloween events and activities, and other small-scale operations.
3	Training and Education	\$2,000	\$6,000	\$ 6,000	\$ 6,000	These funds are intended for staff, LTAC Members, and elected officials who might desire or need education or training for tourism related activities.
4	Memberships, Registrations, and subscriptions.	\$8,000	\$8,500	\$ 8,500	\$ 8,500	Memberships could include: <ul style="list-style-type: none"> • Seattle Chamber of Commerce • Seattle Sports Commission • Washington Tourism Alliance • WFEA • Others
5	LTAC Meetings	\$100	\$0	\$ 500	\$ 500	Staff tries to minimize expenses for LTAC meetings. Staff is allocated funds for 2023 and 2024 should equipment or services be needed for hybrid meetings.
6	Parking, Travel and Meals	\$500	\$1,500	\$ 2,500	\$ 2,500	This is for staff, City Councilmembers, and LTAC members who might want to attend tourism related meetings. Staff is forecasted a lower need for these funds in 2021.
7	Small Event Sponsorship	\$15,000	\$15,000	\$ 15,000	\$ 15,000	These funds are used to support small events and activities in the City and in the region. Some examples of use of the these funds in the past include supporting an e-gaming

						event at Virtual Sports, Seawolves player appearances, hosting a quarterly meeting of the Seattle Sports Commission in Seattle, and food truck events with Westfield. Having access to funds allows staff to partner quickly to for events and activities, without going through the lengthy lodging tax process.
9	Labor (wages and benefits)	\$78,802	\$79,978	\$ 91,407	\$ 95,830	This is not a new position. Funding for the Business Relations Manager will be split 50/50 between the general fund and lodging tax fund.
10	Indirect Cost Allocation	\$24,008	\$25,231	\$ 26,493	\$ 27,818	This a transfer to the City's general fund and helps to reimburse the City for cost to the general fund associated with the lodging tax funds, such as accounting, legal, TIS, facilities, and fleet.
11	Totals:	\$141,160	\$148,959	\$166,150	\$171,898	It may be necessary to move funds between rows 1-11; however, the total expenditure will not exceed the total listed in row 11.

17. What will you cut from your proposal or do differently if full funding for your request is not available or recommended?

Without funding it would jeopardize the City's ability to process third party requests for lodging tax funding. Additionally, the City might choose to require the lodging tax fund to "pay as it goes" for support provided by the City. This could result in higher charges being imposed to the lodging fund.

Applications are considered on a rolling basis. Please contact staff to discuss the process for having the application reviewed by the City's Lodging Tax Advisory Committee.

Completed applications should be submitted to:

Lodging Tax Advisory Committee
c/o Brandon Miles
City of Tukwila
6200 Southcenter Blvd
Tukwila, WA 98188

Or,

Brandon.Miles@Tukwilawa.gov

Questions?

LTAC Contact:

Brandon J. Miles

(206) 431-3684

Brandon.Miles@Tukwilawa.gov.

Updated: October 26, 2022

Application to the City of Tukwila for Use of 2023 Lodging Tax Funds

Event or Activity Name (if applicable):	2023/2024 Seattle Seawolves Partnership
Amount of Lodging Tax Requested:	\$150,000 (\$75,000 in 2023 and 2024)
Applicant Organization:	City of Tukwila
Federal Tax ID Number:	91-6001519
Mailing Address:	Office of the Mayor 6200 Southcenter Blvd Tukwila, WA 98188
Primary Contact Name:	
Primary Contact Phone:	206-431-3684
Primary Contact Email Address:	Brandon.Miles@Tukwilawa.gov

Check all the service categories that apply to this application:

Tourism promotion or marketing.

Operation of a special event or festival designed to attract tourists.

Operation of a tourism-related facility owned or operated by a non-profit organization.

Operation and/or capital costs of a tourism-related facility owned by a municipality or a public facilities district.

Check which one of the following applies to your agency:

Non-Profit (Note: Attach a copy of your current non-profit corporate registration from the Washington Secretary of State Office)

Municipality

For Profit Corporation

I am an authorized agent of the organization/agency applying for funding. I understand that:

- I am proposing a tourism-related service for 2021. If awarded, my organization intends to enter into a services contract with the City; provide liability insurance for the duration of the contract naming the City as additional insured and in an amount determined by the City; and file for a permit for use of City property, if applicable.
- My agency will be required to submit a report documenting economic impact results in a format determined by the City.

Signature: /s/

Date: October 26, 2022

1) If an event, list the event name, date(s), and projected overall attendance.

The City of Tukwila is requesting lodging tax funds to partner with the Seattle Seawolves for the team's 2023 and 2024 seasons. The Seawolves are a professional rugby team in Major League Rugby (MLR). The team trains in Tukwila and plays all its home games at Starfire Sports. The Seawolves are the most successful and dominate team in MLR rugby, having played in three championships games and winning two of them. Rugby as a hold is growing in the United States, with the US set to host the World Cup in 2031 for men's and 2033 for women's.

The City provided \$40,000 in funding in 2022. Staff is requesting a total of \$150,000 (\$75,000 per year) through 2024 to execute a sponsorship agreement with the Seawolves. Prior to the pandemic the Seawolves were averaging 4,000 attendees per home match. Towards the end of 2022 the team started to see a return to its significant fan base.

The Seawolves have a very strong digital following and a growing brand identity in the Seattle metro region. Through Experience Tukwila digital accounts, the City has done significant campaigns and posts to highlight the team, rugby, and the City. Moving forward staff wants to start planting the flag that Tukwila is "Rugby City USA."

In 2023 and 2024 the City would partner with the Seawolves on initiatives that focus on three distinct areas:

1. Drive Head in beds. Tukwila hotels will be the official hotel for away teams for the 2022 and 2023 seasons.
2. Drive More Traffic to Area Businesses. As we hopefully emerge from COVID-19 it is important that we help highlight that our restaurants and retailers are open in order to get our market share back. In person attendance at game will be limited due to restrictions in place for COVID-19. The Seawolves have been very supportive of promoting the City via its own social media channels.
3. Building the Tukwila Brand. The Seawolves have a strong and growing brand in the Seattle region. Additionally, the Seawolves have a very strong brand following by millennials and families, part of the City's overall target audience for branding. The City's internal brand essence is "Accessible Fun." The Seawolves games are easily "accessible fun." The game are reasonably priced, fun, and safe for families.
4. Rugby Community. The City also has an opportunity to build a rugby brand. Like we have done for soccer, Tukwila could be known as the epicenter of soccer in the Pacific NW. Supporting the Seawolves can help attract more rugby matches to the City. In 2021 our relationship with the Seawolves resulted in introductions to the Rugby 7 organizers and the XV Series, both of these activities called Tukwila home for their matches. We want to work to known as Rugby City USA.

2) Is your event/activity/facility focusing on attracting overnight tourists, day tourists, or both?

Both, both directly and indirectly by building a rugby brand

3) Describe why visitors will travel to Tukwila to attend your event/activity/facility.

The Seawolves have been playing in Tukwila since the team was founded. Each game has sold out, with nearly 4,000 rugby fans attending the games. In 2019, the City partnered with the Seawolves on two international matches. As part of these matches the City and Westfield Southcenter hosted a fan event before one of the games. This fan event was well attended. The Seawolves team has a loyal fan following. We are hoping to work with the Seawolves and rugby community to bring more events to the City over the next two years.

In 2020 Seawolves players participated in a drive through Halloween event at Westfield Southcenter and the player's presence and attitude help to drive visitors to the mall. The Seawolves have supported the Experience Tukwila social media campaign. The Seawolves have also engaged with Westfield directly in a formal engagement agreement.

4) Describe the geographic target of the visitors you hope to attract (locally, regionally, nationally, and/or internationally).

Regionally. Most fans are located within the Greater Seattle region. Home games may also produce a small number of traveling fans from throughout the United States. These home games would also generate hotel stays by the away team.

Besides attendance at games, the City is also hoping to get branding exposure with the Seawolves

5) Describe the prior success of your event/activity/facility in attracting tourists.

The Seawolves have shown the ability to bring fans to the City. In 2019 year the City partnered with the Seawolves on two international matches. Both games were well attended. Nearly all home matches in 2019 were sold out.

In 2022 we want to work with the Seawolves to leverage new ways to bring rugby fans to the City.

6) If this your first time holding the event/activity/facility provide background on why you think it will be successful.

N/A

7) Describe the media strategy you employ to promote your event/activity/facility to attract overnight and/or day tourists? Please list any digital or print media (newsletters, e-blasts, social media, etc.) your agency uses or intends to use to promote your event/activity/facility.

The City will utilize Experience Tukwila and the Seawolves digital and social media for promotion. The City will bring in additional partners and these partners would be required to also promote various events, such as the fan day event or viewing parties. Seawolves matches are streamed online and shown on TV last year these games brought significant brand exposure to the City.

8) Describe how you will promote lodging establishments, restaurants, retailers, and entertainment establishments in the City of Tukwila.

Various ways, through digital media and by hosting specific events.

9) Is the City able to use your digital and print media for collaborative marketing?

Yes

10) Describe how you will use the name, “Tukwila” in publications, promotions, and for your event?

All events will be promoted as being in Tukwila. Additionally, the City will get special recognition in various mediums.

11) Measurements and Metrics (Note: You will be required to report these metrics as part of the close out of the agreement between your organization and the City.)

As a direct result of your proposed tourism-related service, provide an estimate of (annual estimates):	
a. Overall attendance at your proposed event/activity/facility.	40,000
b. Number of people who will travel fewer than 50 miles for your event/activity.	90%
c. Number of people who will travel more than 50 miles for your event/activity.	10%
d. Of the people who travel more than 50 miles, the number of people who will travel from another country or state.	Approximately 200.
e. Of the people who travel more than 50 miles, the number of people who will stay overnight in Tukwila.	Approximately 200.

f. Of the people staying overnight, the number of people who will stay in PAID accommodations (hotel/motel/bed-breakfast) in Tukwila.	200
g. Number of paid lodging room nights resulting from your proposed event/ activity/facility (for example: 25 paid rooms on Friday and 50 paid rooms on Saturday = 75 paid lodging room nights)	400

12) What methodologies did you use to calculate the estimates and what methodologies will you use to track outcomes, such as total participants, estimated visitor spending, etc?.

These are estimates based upon a variety of factors, including fan attendance at games, fan attendance at special events, overnight stays by the away teams, etc. The numbers provided are for estimated in person attendance and do not include media and social media exposure.

13) Are you applying for lodging tax funds from another community? If so, which communities and in what amounts?

No.

14) Are you applying funding from Seattle Southside Regional Tourism Authority (SSRTA)? If so, in what amount?

No.

15) What is the overall budget for your event/activity/facility? What percent of the budget are you requesting from the City of Tukwila?

The City is requesting \$150,000 (\$75,000 for each year for this sponsorship).

16) What will you cut from your proposal or do differently if full funding for your request is not available or recommended?

We would not be able to have a paid sponsorship with the Seawolves.

Applications are considered on a rolling basis. Please contact staff to discuss the process for having the application reviewed by the City’s Lodging Tax Advisory Committee.

Completed applications should be submitted to:

Lodging Tax Advisory Committee

c/o Brandon Miles
City of Tukwila
6200 Southcenter Blvd
Tukwila, WA 98188

Or,

Brandon.Miles@Tukwilawa.gov

Questions?

LTAC Contact:

Brandon J. Miles

(206) 431-3684

Brandon.Miles@Tukwilawa.gov.

Updated: January 5, 2021

Tourism Funding, Six Year Financial Plan

DRAFT - Updated March 3, 2021

	Working Draft Update	2022 Budgeted	2022 Forecasted	2023	2024	2025	2026	2027	Totals, '22-'27
Tourism Revenue									
Lodging Tax	\$ 450,000	\$ 800,000	\$ 800,000	\$ 840,000	\$ 882,000	\$ 926,100	\$ 972,405	\$ 5,670,505	
Total Revenues:	\$ 450,000	\$ 800,000	\$ 800,000	\$ 840,000	\$ 882,000	\$ 926,100	\$ 972,405	\$ 5,670,505	
Tourism Expenses									
Marketing, Sales, and Sponsorships									
Sponsorships	\$ 150,000	\$ 100,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 550,000
Small Events	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 60,000
erience Tukwila, Branding and Marketing, Visitors	\$ 75,000	\$ 140,000	\$ 190,000	\$ 190,000	\$ 190,000	\$ 190,000	\$ 190,000	\$ 190,000	\$ 710,000
World Cup Planning and Activation	\$ 50,000	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 150,000
Business Attraction and Promotion	\$ -	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 150,000
COVID-19 Response									
SavingLocalKC.com	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SSRTA Emergency Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Showare Sponsorship	\$ 15,000	\$ 1,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 46,000
Seattle Southside Chamber of Commerce	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Destination Development									
Wayfinding Plan Development and Installation	\$ 150,000	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 300,000
Art Investments	\$ 75,000	\$ -	\$ 75,000	\$ 75,000	\$ 75,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 225,000
Tukwila Pond	\$ 200,000	\$ -	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 600,000
General Administration									
Salary and Benefits	\$ 79,978	\$ 81,257	\$ 91,397	\$ 95,830	\$ 98,705	\$ 101,666	\$ 104,716	\$ 101,666	\$ 101,666
City Overhead Charge	\$ 25,231	\$ 25,231	\$ 26,493	\$ 27,818	\$ 28,653	\$ 29,512	\$ 30,397	\$ 29,512	\$ 29,512
Administrative	\$ 28,750	\$ 28,750	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 118,750
Total Expenditures:	\$ 863,959	\$ 391,238	\$ 972,890	\$ 978,648	\$ 982,357	\$ 951,178	\$ 955,114	\$ 5,231,425	
Beginning Fund Balance:	\$ 1,742,366	\$ 1,742,366	\$ 2,151,128	\$ 1,978,238	\$ 1,839,590	\$ 1,739,233	\$ 1,714,154	\$ 1,714,154	
Ending Fund Balance:	\$ 1,328,407	\$ 2,151,128	\$ 1,978,238	\$ 1,839,590	\$ 1,739,233	\$ 1,714,154	\$ 1,731,446	\$ 1,731,446	

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 blue cells have been updated since the LTAC last

Salary/Benefits for Business Relations Manager is split 50/50 between general fund and lodging tax and is estimated to increase 3% annually after 2024.

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 2024

Updated: 10/26/2022

BJM