



INFORMATIONAL MEMORANDUM

TO: **Tukwila City Council**

FROM: **Brandon Miles, Director, Strategic Initiatives**

CC: **Mayor McLeod**

DATE: **November 24, 2025**

SUBJECT: **Lodging Tax Funding Request**

ISSUE

Review of lodging tax funding requests from Explore Seattle Southside acting on behalf of PacNW Soccer.

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.

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 November 14, 2025, meeting, the LTAC recommended approval of two funding requests from Explore Seattle Southside, which were submitted on behalf of PacNW Soccer.

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. **Explore Seattle Southside (PacNW), Not to Exceed (2026: \$20,0000 and 2027: \$20,000)**

PacNW Winter Classic soccer tournament is held annually over two successive weekends in January at Starfire Sports in Tukwila. Over 500 amateur teams from throughout the Western US were registered for the 2026 tournament.

Prior to the 2024 tournament, a strategic effort was implemented to relocate room nights from Renton, Seattle, Bellevue and Federal Way to Tukwila hotels. An LTAC application was submitted in May of 2023 to provide a commission to the tournament organization to encourage team hotel bookings in Tukwila hotels for the January 2024 tournament. Through this funding request the City pays a \$10 room rebate for each room night booked in the City through Event Connect, which is operated by Explore Seattle Southside. The City has seen a drastic increase in Tukwila for hotel rooms, both in 2024 and 2025 through this program. It's expected that the City will see a significant number of room nights in both 2026 and 2027.

Two separate applications were submitted to the City, one for 2026 and another for 2027.

LTAC Recommendation on Application: Approval.

Staff Recommendation on Application: Approval.

FINANCIAL IMPACT

The total request for the lodging tax application will not exceed \$40,000 to support the two funding requests. No general funds dollars will be used for these funding allocations. The funding allocations are consistent with the six-year financial plan for the lodging tax fund and the City's adopted budget. Any unused funds will remain within the lodging tax fund.

RECOMMENDATION

Staff recommends that the City Council approve the two lodging tax applications as presented. Staff suggests this be placed on the December 15 consent agenda.

ATTACHMENTS

1. 2026 Lodging Tax Funding Application, Explore Seattle Southside
2. 2027 Lodging Tax Funding Application, Explore Seattle Southside
3. Staff Report to Lodging Tax Advisory Committee

Application to the City of Tukwila for Use of 2026 Lodging Tax Funds

| | |
|---|--|
| Event or Activity Name (if applicable): | PacNW Winter Classic |
| Amount of Lodging Tax Requested: | \$20,000 for 2026 |
| Applicant Organization: | City of Tukwila, Office of Economic Development |
| Federal Tax ID Number: | 20-8611780 |
| Mailing Address: | 100 Andover Parkway W, Suite 150, Tukwila WA 98188 |
| Primary Contact Name: | Pacific Northwest Soccer, Todd Johnson, Ex Dir |
| Primary Contact Phone: | (425) 765-4468 |
| Primary Contact Email Address: | execdir@pacnwsc.org |

Check all the service categories that apply to this application:

Tourism promotion or marketing.

X 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:

X 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 offering a tourism-related service for 2026 and 2027. If awarded, my organization intends to enter 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 organization will be required to submit a report documenting economic impact results in a format determined by the City.

On Behalf of PacNW Winter Classic:

Signature:



Date:



Mark Everton, CEO

Seattle Southside Regional Tourism Authority

1) Describe your tourism-related activity or event.

PacNW Winter Classic soccer tournament is held annually over two successive weekends in January (Jan 9-11 & Jan 16-19, 2026) at Starfire Sports. 2027 dates have not been selected but it is highly likely to be the same consecutive weekend pattern. The 2025 tournament brought over 600 amateur teams from 6 different states and a record number of teams from Canada.

In 2025, 1,004 room nights were generated for weekend 1, with 83% of the total room nights in Tukwila hotels and 1,291 for weekend 2 (with 58% of the total room nights in Tukwila hotels. Pac NW employed a strategic effort to relocate room nights from Renton, Seattle, Bellevue and Federal Way and to Tukwila. This was a shift of 33% more room nights booked in Tukwila compared to 2023*.

The goal is to maintain the shift in room nights set in place in 2024 & 2025, of relocating room nights from Renton, Seattle, Bellevue and Federal Way to Tukwila hotels.

***Comparison is to 2023 numbers is due to incomplete 2024 data due to Weekend 2, in 2024, being cancelled but based on Weekend 1, more hotels rooms were booked in Tukwila. As a result of the effort by PacNW to promote Tukwila hotels, the capture rate for Tukwila hotels was 75% of total room nights booked were in Tukwila hotels, compared to 2023 capture rate of 49%.**

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

PacNW Winter Classic soccer tournament. Jan 9-11 & Jan 16-19, 2026. 24,000+ attendees

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

Soccer tournament that generates overnight weekend stays from visiting teams

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

Proximity to Starfire Sports

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

Teams from Eastern WA, Canada, Idaho, Oregon, California, Nevada, Montana, Colorado and Alaska participate.

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

See # 1 above

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

This event has been held for many years at Starfire.

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

PacNW controls which hotels bid on providing housing. The organizer can select greater numbers of Tukwila hotels, if the hotels have capacity.

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

Tukwila is prominently displayed on all correspondence as it is the 'home' field and the organization's home.

- 9) 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. | 24,000 |
| b. Number of people who will travel fewer than 50 miles for your event/activity. | 16,000 |
| c. Number of people who will travel more than 50 miles for your event/activity. | 8,000 |
| d. Of the people who travel more than 50 miles, the number of people who will travel from another country or state. | 4,000 |
| e. Of the people who travel more than 50 miles, the number of people who will stay overnight in Tukwila. | 6,000 |
| f. Of the people staying overnight, the number of people who will stay in PAID accommodations (hotel/motel/bed-breakfast) in Tukwila. | 6,000 |

| | |
|--|-------|
| 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) | 2,000 |
|--|-------|

**10) 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?
Historical (2023-2025) data**

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

The request is to commission PacNW for 'generating' additional Tukwila room nights. In 2023, 1,291 room nights were actualized.

In 2024, 815 room nights were actualized from weekend 1, while weekend 2 was cancelled due to an ice storm. Weekend 2 was projecting 2,015 room nights prior to its cancellation.

In 2025, 2,295 rooms were actualized.

This proposal is for 2 years, 2026 & 2027 budgeted not to exceed \$20,000 per year.

The commission request payable to PacNW is for \$10/room night actualized, capped at \$20,000 (2,000 room nights). There is no minimum room night requirement to receive the \$10/room night. All room nights must be booked through Event Connect and all actualized room nights will be verified by Event Connect. No commission will be paid to PacNW on room nights booked around the Event Connect platform.

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: December 29, 2022

Application to the City of Tukwila for Use of 2027 Lodging Tax Funds

| | |
|---|--|
| Event or Activity Name (if applicable): | PacNW Winter Classic |
| Amount of Lodging Tax Requested: | \$20,000 for 2027 |
| Applicant Organization: | City of Tukwila, Office of Economic Development |
| Federal Tax ID Number: | 20-8611780 |
| Mailing Address: | 100 Andover Parkway W, Suite 150, Tukwila WA 98188 |
| Primary Contact Name: | Pacific Northwest Soccer, Todd Johnson, Ex Dir |
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- My organization will be required to submit a report documenting economic impact results in a format determined by the City.

On Behalf of PacNW Winter Classic:

Signature:



Mark Everton, CEO

Seattle Southside Regional Tourism Authority

Date:



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Questions?

LTAC Contact:

Brandon J. Miles

(206) 431-3684

Brandon.Miles@Tukwilawa.gov.

Updated: December 29, 2022

Staff Memorandum

Lodging Tax Advisory Committee Funding Request

Name of Applicant:

Seattle Southside Tourism Authority (dba Explore Seattle Southside) on behalf of PacNW Soccer.

Address:

100 Andover Parkway W, Suite 150,
Tukwila WA 98188

Total Funds Requested:

Not to exceed \$20,000 in 2026

Not to exceed \$20,000 in 2027

About the Applicant:

Explore Seattle Southside has submitted a lodging tax application on behalf of PacNW Soccer for their Winter Classic Soccer tournament.

Funds Previously Awarded:

\$28,170 was awarded for 2024; however, the 2nd weekend was cancelled and only \$8,150 was paid at a rate of \$10 per actual room night. For 2025 the City awarded \$12,910 in funds on the same per room basis as 2024.

Funding Request Narrative:

PacNW Winter Classic soccer tournament is held annually over two successive weekends in January (January 9-11 & 16-19, 2026 and 2027 dates are TBA) at Starfire Sports in Tukwila. The tournament generated over 2,000 combined room nights for the two weekend tournament.

Starting in 2024 the City and Explore Seattle Southside begin to work with the event organizers to shift hotel usage away from Renton, Seattle, Bellevue and other cities to the City of Tukwila. The room rebate program has been successful. In 2025 over 80% of the rooms nights generated during the first weekend of the tournament were in Tukwila and over 55% of the room nights for the second weekend were in Tukwila, compared to just 33% in 2023.

Staff Comments:

The City will pay a commission of \$10 per room night for both weekends in 2026 and 2027. All room nights must be booked through Event Connect and all actualized room nights will be verified by Event Connect. No commission will be paid on any room nights booked around the Event Connect platform. Explore Seattle Southside will be required to validate the numbers provided by PacNW. This is a not to exceed program, so if the room nights are not created, the City will not pay.

Consistency with Six Year Financial Model:

For 2026 and 2027 the Six Year Financial Plan shows the City spending \$175,000 for sponsorship per year, such as this.

| 2026 Tourism Six-Year Financial Plan Allocation | |
|--|------------|
| Sponsorships: | \$175,000 |
| Experience Tukwila (Anticipated Request): | (\$15,000) |
| Seattle Seawolves (Approved) | (\$90,000) |
| PacNW Pending Request (Pending): | (\$20,000) |
| General Operations Sponsorship (Approved): | (\$15,000) |
| Remaining Sponsorship Funds: | \$35,000 |
| 2027 Tourism Six-Year Financial Plan Allocation | |
| Sponsorships: | \$175,000 |
| Experience Tukwila (Anticipated Request): | (\$15,000) |
| Seattle Seawolves (Anticipated) | (\$90,000) |
| PacNW Pending Request: | (\$20,000) |
| General Operations Sponsorship (Anticipated): | (\$15,000) |
| Remaining Sponsorship Funds: | \$35,000 |

City of Tukwila Staff

Recommendation to LTAC: Approval