



City of Tukwila
**Planning & Economic
 Development Committee**

- ◆ Thomas McLeod, Chair
- ◆ Kathy Hougardy
- ◆ Zak Idan

<u>Distribution:</u>	
T. McLeod	Mayor Ekberg
K. Hougardy	D. Cline
Z. Idan	R. Bianchi
D. Quinn	C. O'Flaherty
	A. Youn
	L. Humphrey

AGENDA

MONDAY, JULY 20, 2020 – 5:30 PM

HAZELNUT CONFERENCE ROOM
 (At east entrance of City Hall)

**THIS MEETING WILL NOT BE CONDUCTED AT CITY FACILITIES
 BASED ON THE GOVERNOR'S PROCLAMATION 20-28.**

**THE PHONE NUMBER FOR THE PUBLIC TO LISTEN TO THIS
 MEETING IS: 1-253-292-9750, Access Code 793568863#**

Item	Recommended Action	Page
1. BUSINESS AGENDA		
a. A professional services agreement with Mammoth Agency for the "Experience Tukwila" marketing campaign not to exceed \$95,000.00. <i>Brandon Miles, Business Relations Manager</i>	a. Forward to 7/20 Regular Mtg. New Business	Pg.1
b. An update on the lodging tax budget for 2021/2022. <i>Brandon Miles, Business Relations Manager</i>	b. Discussion only.	Pg.11
c. An update on the Business Recovery Plan. <i>Derek Speck, Economic Development Administrator</i>	c. Discussion only.	Pg.15
2. MISCELLANEOUS		

Next Scheduled Meeting: *August 3, 2020*



The City of Tukwila strives to accommodate individuals with disabilities.

Please contact the City Clerk's Office at **206-433-1800** (TukwilaCityClerk@TukwilaWA.gov) for assistance.



INFORMATIONAL MEMORANDUM

TO: Planning and Economic Development

FROM: Brandon Miles, Business Relations Manager

CC: Mayor Ekberg

DATE: July 14, 2020

SUBJECT: Contract with the Mammoth Agency for Experience Tukwila

ISSUE

Authorize the Mayor to execute a professional service agreement with the Mammoth Agency for the development and management of “Experience Tukwila” not to exceed \$95,000.

BACKGROUND

On July 20, 2020 the City Council is scheduled to approve staff’s lodging tax request for funding for the development and management of the “Experience Tukwila” marketing campaign. Experience Tukwila will be used to promote the City to visitors, businesses, and future residents. Currently, the City has limited digital assets available to promote the City.

The digital assets would contain the following:

- Dedicated website focused on the Tukwila community, which may include:
 - Photos and videos promoting the City.
 - Community Calendar
 - Google map of City
 - Newsletter sign up
 - Info about visiting, living, and investing in the City.
 - Other key attributes promoting the City.
- Maintenance of Social Media Accounts.
 - As part of the SavingLocalKC campaign it was determined that Tukwila social media accounts were needed in order to highlight Tukwila businesses. The City created social media accounts on Twitter, Facebook, and Instagram, which are updated regularly with content.
- Creation and maintenance of a LinkedIn page for the City.
 - LinkedIn is a vital asset the City could be using to promote itself, specifically for business attraction.
- Email Marketing and Maintenance
 - Creation of a newsletter to be sent out on a regular basis. The newsletter would focus on things to do in the City, info about the City, and feature area businesses.

DISCUSSION

Staff is recommending the Mammoth Agency be used for the development and management of Experience Tukwila. The Mammoth Agency is currently under contract with the City to manage the Saving Local, King County initiative. The City conducted interviews with firms in February and March looking for a firm to help the City with its digital platform development and management. While all firms were good and had extensive experience, Mammoth was selected

because of its previous experience working with governmental agencies and with its background in blending advertising and public relations efforts for campaigns. In addition Mammoth has been good to work with on the Saving Local, KC campaign; providing good service, being responsive, and affordable.

FINANCIAL IMPACT

The total contract will not exceed \$95,000, with funds for the contract coming the City's lodging tax and a Port of Seattle grant. No general funds will be used for this agreement.

RECOMMENDATION

Authorize Mayor to execute agreement. Forward to July 20, 2020 New Business (same night as committee meeting).

ATTACHMENTS

- Draft Agreement.

PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is entered into between the City of Tukwila, Washington, hereinafter referred to as “the City”, and Mammoth Agency, hereinafter referred to as “the Consultant”, in consideration of the mutual benefits, terms, and conditions hereinafter specified.

1. **Project Designation.** The Consultant is retained by the City to perform marketing, tourism promotion, and advertising services in connection with the project titled Experience Tukwila.
2. **Scope of Services.** The Consultant agrees to perform the services, identified on Exhibit “A” attached hereto, including the provision of all labor, materials, equipment and supplies.
3. **Duration of Agreement; Time for Performance.** This Agreement shall be in full force and effect for a period commencing upon execution and ending March 1, 2021, unless sooner terminated under the provisions hereinafter specified. Work under this Agreement shall commence upon written notice by the City to the Consultant to proceed. The Consultant shall perform all services and provide all work product required pursuant to this Agreement no later than December 31, 2020 unless an extension of such time is granted in writing by the City.
4. **Payment.** The Consultant shall be paid by the City for completed work and for services rendered under this Agreement as follows:
 - A. Payment for the work provided by the Consultant shall be made as provided on Exhibit “A” attached hereto, provided that the total amount of payment to the Consultant shall not exceed \$95,000 without express written modification of the Agreement signed by the City.
 - B. The Consultant may submit vouchers to the City once per month during the progress of the work for partial payment for that portion of the project completed to date. Such vouchers will be checked by the City and, upon approval thereof, payment shall be made to the Consultant in the amount approved.
 - C. Final payment of any balance due the Consultant of the total contract price earned will be made promptly upon its ascertainment and verification by the City after the completion of the work under this Agreement and its acceptance by the City.
 - D. Payment as provided in this section shall be full compensation for work performed, services rendered, and for all materials, supplies, equipment and incidentals necessary to complete the work.
 - E. The Consultant’s records and accounts pertaining to this Agreement are to be kept available for inspection by representatives of the City and the state of Washington for a period of three (3) years after final payments. Copies shall be made available upon request.

5. **Ownership and Use of Documents.** All documents, drawings, specifications and other materials produced by the Consultant in connection with the services rendered under this Agreement shall be the property of the City whether the project for which they are made is executed or not. The Consultant shall be permitted to retain copies, including reproducible copies, of drawings and specifications for information, reference and use in connection with the Consultant's endeavors. The Consultant shall not be responsible for any use of the said documents, drawings, specifications or other materials by the City on any project other than the project specified in this Agreement.
6. **Compliance with Laws.** The Consultant shall, in performing the services contemplated by this Agreement, faithfully observe and comply with all federal, state, and local laws, ordinances and regulations, applicable to the services rendered under this Agreement.
7. **Indemnification.** The Consultant shall defend, indemnify and hold the City, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of or resulting from the acts, errors or omissions of the Consultant in performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Consultant and the City, its officers, officials, employees, and volunteers, the Consultant's liability hereunder shall be only to the extent of the Consultant's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Consultant's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

8. **Insurance.** The Consultant shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees. Consultant's maintenance of insurance as required by the agreement shall not be construed to limit the liability of the Consultant to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

A. **Minimum Amounts and Scope of Insurance.** Consultant shall obtain insurance of the types and with the limits described below:

1. **Commercial General Liability** insurance with limits no less than \$2,000,000 each occurrence, \$2,000,000 general aggregate. Commercial General Liability insurance shall be at least as broad as ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, stop-gap independent contractors and personal injury and advertising injury. The City shall be named as an additional insured under the Consultant's Commercial General Liability insurance policy with respect to the work performed for the City using an additional insured endorsement at least as broad as ISO endorsement form CG 20 26.
2. **Workers' Compensation** coverage as required by the Industrial Insurance laws of the State of Washington.
3. **Professional Liability** with limits no less than \$2,000,000 per claim and \$2,000,000 policy aggregate limit. Professional Liability insurance shall be appropriate to the Consultant's profession.

- B. **Public Entity Full Availability of Contractor Limits.** If the Contractor maintains higher insurance limits than the minimums shown above, the Public Entity shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by the Contractor, irrespective of whether such limits maintained by the Contractor are greater than those required by this Contract or whether any certificate of insurance furnished to the Public Entity evidences limits of liability lower than those maintained by the Contractor.
- C. **Other Insurance Provision.** The Consultant's Automobile Liability and Commercial General Liability insurance policies are to contain, or be endorsed to contain that they shall be primary insurance with respect to the City. Any Insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Consultant's insurance and shall not be contributed or combined with it.
- D. **Acceptability of Insurers.** Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.
- E. **Verification of Coverage.** Consultant shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Contractor before commencement of the work. Upon request by the City, the Consultant shall furnish certified copies of all required insurance policies, including endorsements, required in this Agreement and evidence of all subcontractors' coverage.
- F. **Notice of Cancellation.** The Consultant shall provide the City with written notice of any policy cancellation, within two business days of their receipt of such notice.
- G. **Failure to Maintain Insurance.** Failure on the part of the Consultant to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, after giving five business days notice to the Consultant to correct the breach, immediately terminate the contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand, or at the sole discretion of the City, offset against funds due the Consultant from the City.
9. **Independent Contractor.** The Consultant and the City agree that the Consultant is an independent contractor with respect to the services provided pursuant to this Agreement. Nothing in this Agreement shall be considered to create the relationship of employer and employee between the parties hereto. Neither the Consultant nor any employee of the Consultant shall be entitled to any benefits accorded City employees by virtue of the services provided under this Agreement. The City shall not be responsible for withholding or otherwise deducting federal income tax or social security or for contributing to the state industrial insurance program, otherwise assuming the duties of an employer with respect to the Consultant, or any employee of the Consultant.
10. **Covenant Against Contingent Fees.** The Consultant warrants that he has not employed or retained any company or person, other than a bonafide employee working solely for the Consultant, to solicit or secure this contract, and that he has not paid or agreed to pay any company or person, other than a bonafide employee working solely for the Consultant, any fee, commission, percentage, brokerage fee, gifts, or any other consideration contingent upon or resulting from the award or making of this contract. For breach or violation of this warrant, the City shall have the right to annul this contract without liability, or in its discretion to deduct from the contract price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

11. **Discrimination Prohibited.** Contractor, with regard to the work performed by it under this Agreement, will not discriminate on the grounds of race, religion, creed, color, national origin, age, veteran status, sex, sexual orientation, gender identity, marital status, political affiliation, the presence of any disability, or any other protected class status under state or federal law, in the selection and retention of employees or procurement of materials or supplies.
12. **Assignment.** The Consultant shall not sublet or assign any of the services covered by this Agreement without the express written consent of the City.
13. **Non-Waiver.** Waiver by the City of any provision of this Agreement or any time limitation provided for in this Agreement shall not constitute a waiver of any other provision.
14. **Termination.**
 - A. The City reserves the right to terminate this Agreement at any time by giving ten (10) days written notice to the Consultant.
 - B. In the event of the death of a member, partner or officer of the Consultant, or any of its supervisory personnel assigned to the project, the surviving members of the Consultant hereby agree to complete the work under the terms of this Agreement, if requested to do so by the City. This section shall not be a bar to renegotiations of this Agreement between surviving members of the Consultant and the City, if the City so chooses.
15. **Applicable Law; Venue; Attorney's Fees.** This Agreement shall be subject to, and the Consultant shall at all times comply with, all applicable federal, state and local laws, regulations, and rules, including the provisions of the City of Tukwila Municipal Code and ordinances of the City of Tukwila. In the event any suit, arbitration, or other proceeding is instituted to enforce any term of this Agreement, the parties specifically understand and agree that venue shall be properly laid in King County, Washington. The prevailing party in any such action shall be entitled to its attorney's fees and costs of suit. Venue for any action arising from or related to this Agreement shall be exclusively in King County Superior Court.
16. **Severability and Survival.** If any term, condition or provision of this Agreement is declared void or unenforceable or limited in its application or effect, such event shall not affect any other provisions hereof and all other provisions shall remain fully enforceable. The provisions of this Agreement, which by their sense and context are reasonably intended to survive the completion, expiration or cancellation of this Agreement, shall survive termination of this Agreement.
17. **Notices.** Notices to the City of Tukwila shall be sent to the following address:

City Clerk
City of Tukwila
6200 Southcenter Boulevard
Tukwila, WA 98188

Notices to Consultant shall be sent to the following address:

Mammoth Agency
501 E. Pine Street, Suite #201
Seattle, WA 98122
18. **Entire Agreement; Modification.** This Agreement, together with attachments or addenda, represents the entire and integrated Agreement between the City and the Consultant and supersedes all prior negotiations, representations, or agreements written or oral. No amendment

or modification of this Agreement shall be of any force or effect unless it is in writing and signed by the parties.

DATED this _____ day of _____, 20_____.

CITY OF TUKWILA

CONSULTANT

Allan Ekberg, Mayor

By: _____

Printed Name: _____

Title: _____

Attest/Authenticated:

Approved as to Form:

Clerk, Christy O'Flaherty

Office of the City Attorney City

Exhibit "A"

Experience Tukwila

Contractor will help the City develop the Experience Tukwila marketing, promotion, and advertising campaign. Before proceeding with any task outlined below the City will provide authorization to proceed, which will be either via United States Mail or Electronic Mail.

Project Management and Reporting

Project management, monthly in-depth report with high level stats on website visits, social media engagements, email newsletter engagement, summary of all digital activities (posts, content, graphics, etc.) — multi-page report with charts and design.

Ongoing cost: \$1,000/month = \$7,000
June - December = 7 months

Social Media

Create and post original social media content for existing Facebook, Instagram, and Twitter accounts including custom graphics and sourced photography. 5-7 posts per week. Community growth and engagement strategy (following, retweeting, liking other posts, etc.). Content moderation (flagging abusive comments for client). Identifying externally generated content to share, retweet, or otherwise promote.

Creation of LinkedIn account, ongoing content creation, including website blog posts, and upcoming events information.

Ongoing cost: \$3,000/month + ½ of May = \$22,500
May 15 - December

Website — Development

Site to launch no later than October 1

Design and development of Experience Tukwila website. WordPress site — photos and videos, creation of blog, events page, calendar, email signup and CRM tool (such as MailChimp), and social media integration.

Website process will include a Research and Discovery report which will document the technical and content needs of the site, as well as the audiences, goals and timeline of development. The City will be able to gather community and stakeholder input at this time, which will be reflected in the report.

This document will be shared with client prior to moving onto next phases which include creation of a sitemap, wireframes, and then a live website prototype. The client will have opportunities to review and provide feedback at all stages.

Development Cost: \$25,000

Website — Ongoing Content Updates and Graphics

Ongoing content updates to Experience Tukwila website, including new graphics, photography, calendar updates, original blog content, and content promoting upcoming events. Coordination with others in community for guest blog posts. Training as necessary for City team members to manage and post content to the site.

Ongoing cost: \$3,000/month (October-December) = \$9,000

Email Marketing

Email marketing setup and template. Email content strategy and planning. Content creation program with 3 emails sent between October and end of year.

Development Cost: \$1,500

Ongoing cost: \$750 per email = \$2,250

Videos

Creation of 3 original videos promoting the City of Tukwila. Additional video editing and strategy for promotion (e.g. cutting existing video into :30 second social media clips). Depending on the needs for the videos, we can allocate the majority of the budget into one high production value video (for example one video for \$15,000 and two shorter cuts for \$2,500 each), etc. We will work with client to finalize scope prior to production.

Development Cost: \$20,000

Sponsorships

Creation of graphics for sponsorships, content plan and strategy, including social media graphics and toolkits for partners.

Development Cost: \$2,000 per sponsorship

Other Services

The following services can be bid out upon request:

- Public Relations and earned media: We can coordinate with our earned media expert, as needed, on promoting events, business openings, or around other key initiative
- Paid social media campaigns (to promote initiatives, events, and other content) Paid media campaigns (print, TV, radio, etc.)
- Custom photoshoot to expand Experience Tukwila brand library
- Branded collateral as needed (e.g. event or sponsorship signage)
- Research — qualitative or quantitative research (e.g. to better understand perceptions about Southcenter District)
- Graphic design work, as needed for specific projects directed by City.
- Consulting services for marketing, advertising, event promotion, and general City promotion



City of Tukwila

6200 Southcenter Boulevard, Tukwila WA 98188

Contract Number:



INFORMATIONAL MEMORANDUM

TO: Planning and Economic Development

FROM: Brandon Miles, Business Relations Manager

CC: Mayor Ekberg

DATE: July 13, 2020

SUBJECT: 2021/2022 Lodging Tax Budget Process

ISSUE

Process and discussion of lodging tax budget for 2021/2022.

BACKGROUND

The City of Tukwila collects a 1% lodging tax on all eligible stays in Tukwila hotels, motels, and Airbnbs. Washington State law limits the use of lodging tax funds to tourism promotion activities. Funds collected can be used by the City or third parties to help bring tourists (both day and night tourists) to the City.

State Law allows the City to use lodging tax funds as follows:

- Tourism marketing;
- Marketing and operations of special events and festivals designed to attract tourists;
- Operations and capital expenditures of tourism-related facilities owned or operated by a municipality or a public facilities district; or
- Operations of tourism-related facilities owned or operated by nonprofit organizations.

Historically, the City has used lodging tax funds for a variety of activities including providing funds to Seattle Southside Regional Tourism Authority, the Museum of Flight, Starfire Sports, Seattle Southside Chamber of Commerce, and the City of Tukwila. Funds have been used for a variety of activities, such as marketing, small festivals, and sponsorship of tourist related events.

In 2019 the City collected \$819,000 in lodging tax. The City ended 2019 with approximately \$1.9 million of funds on hand. For 2020 the City is forecasting a significant drop in lodging tax funds due to COVID-19. Staff is now forecasting that lodging tax fund revenues will only be about \$400,000.

DISCUSSION

Traditionally, the City awarded lodging tax funds to applicants on an ongoing basis, provided funds were available. Starting in 2019 the City began to utilize a six-year financial model for lodging tax. The idea with the six-year financial model was to be able to plan out future funding opportunities and ensure that sufficient cash was maintained for these programs.

A review of past funding awards shows that the City is providing heavy funding for advertising¹ and tourism promotion and very little funding in capital projects or festivals. In 2019 the City made its first awards in tourism capital projects when it awarded funds for Southcenter art and to develop a master plan for Tukwila Pond.

¹ When combined with the TPA funds collected at Tukwila hotels, just over \$1.3 million dollars is being used for marketing and tourism promotion activities. These funds are combined with funds from the Cities of SeaTac and Des Moines and used by Seattle Southside Regional Tourism Authority.

As part of the 2021/2022 lodging tax budget staff has identified several goals to try and address in developing the budget:

1. Consider creating “buckets” with how lodging tax funds would be allocated. These buckets would reflect the allowable used of lodging tax funds. Staff would work with the City Council and Lodging Tax Advisory Committee on developing the specific “buckets.”
2. Discuss geographical allocation of programs in the City receiving lodging tax funds. The City should work to identify programs on Tukwila International Blvd that could receive lodging tax funds.
3. Creation and sponsorship of events and festivals within the City.
 - a. Tukwila Pride
 - b. Baker Blvd Event
 - c. Food Innovation Network
 - d. Juneteenth Festival
4. Tourism capital projects.
 - a. Tukwila Pond
 - b. Riverwalk
 - c. Wayfinding Signage
5. Other items the Committee would like staff to examine.

Staff would like to work on the proposed budget in August and September. PED will be briefed as we go through the update process. Staff would like input from the PED on items the committee would like staff to review and research as part of this budget process.

FINANCIAL IMPACT

N/A.

RECOMMENDATION

Discussion only.

ATTACHMENTS

- Current Six-Year Lodging Tax Financial Model

Lodging Tax Six Year Financial Plan

	Year	Actuals 2019	2020 Budget	2020, Updated	Forecasted				Totals
					2021	2022	2023	2024	
Revenue									
Original Estimated Amount		\$ 800,000	\$ 800,000	\$ 800,000	\$ 840,000	\$ 882,000	\$ 926,100	\$ 972,405	
Lodging Tax Collection (Revised, 5/7/20)		\$ 819,095	\$ 800,000	\$ 400,000	\$ 450,000	\$ 600,000	\$ 700,000	\$ 800,000	\$ 4,569,095
Expenses									
Marketing, Sales, Major Sponsorships									
Contracted DMO Services		\$ 202,500	\$ 202,500	\$ 202,500	\$ 202,500	\$ 202,500	\$ 202,500	\$ 202,500	\$ 1,417,500
SSRTA Emergency Funding		\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 472,500
Major Sponsorships Funding Request		\$ 150,000	\$ 150,000	\$ 50,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 950,000
Seattle Seawolves		\$ -	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ 10,000
Seattle Southside Chamber of Commerce		\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Virtual Sports		\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,000
Small Event Development and Support		\$ 10,000	\$ 15,000	\$ 5,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 90,000
Digital Development and Website (Experience Tukwila)		\$ -	\$ 88,375	\$ 88,375	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 376,750
SavingLocalKC.com		\$ -	\$ 154,170	\$ 154,170	\$ -	\$ -	\$ -	\$ -	\$ 308,340
Destination Development									
Wayfinding Plan Development and Installation		\$ -	\$ 50,000	\$ 100,000	\$ 150,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 600,000
Southcenter Art Investments		\$ 600	\$ 39,400	\$ 39,400	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 379,400
Tukwila Pond		\$ -	\$ 125,000	\$ 125,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 1,050,000
World Cup Planning and Activation		\$ -	\$ -	\$ -	\$ 40,000	\$ 40,000	\$ 50,000	\$ 50,000	\$ 180,000
Administration/Operations									
Salary		\$ 58,040	\$ 56,586	\$ 53,870	\$ 58,284	\$ 60,032	\$ 61,833	\$ 63,688	\$ 412,333
Benefits		\$ 18,124	\$ 18,411	\$ 18,411	\$ 18,963	\$ 19,532	\$ 20,118	\$ 20,722	\$ 134,281
City Overhead Charge		\$ 18,741	\$ 19,416	\$ 19,416	\$ 19,998	\$ 20,598	\$ 21,216	\$ 21,853	\$ 141,239
Administration Expenses		\$ 21,385	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 201,385
		\$ 116,290	\$ 116,290	\$ 116,290	\$ 116,290	\$ 116,290	\$ 116,290	\$ 116,290	\$ 701,238
Total Expenditures:		\$ 479,390	\$ 1,053,858	\$ 1,021,142	\$ 1,009,745	\$ 962,663	\$ 975,668	\$ 978,763	\$ 5,932,888
Starting Year Balance:		\$ 1,617,625	\$ 1,957,330	\$ 1,957,330	\$ 1,336,188	\$ 776,443	\$ 413,780	\$ 138,112	\$ (40,650)
Ending Fund Balance:		\$ 1,957,330	\$ 1,703,472	\$ 1,336,188	\$ 776,443	\$ 413,780	\$ 138,112	\$ (40,650)	\$ (40,650)

Notes

Salary for Bus Manager is split 50/50 between general fund and lodging tax. Salary savings reflects credit to lodging tax for 14 furlough days for 2020.

Revenue Increase (2021-2024)

Salary is assumed to rise 3% per year. 0.05

Benefits are assumed to rise 3% per year. 0.03

Indirect Cost Allocation is assumed to increase 3% per year. 0.03

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.

Overhead charge is charged to all special accounts and recoups the cost of the general fund to support the lodging tax fund. This include facilities, IT services, legal, and accounting.

Cells in yellow show pending applications.

Cells in green show approved applications.

Cells in red are budgeted items that have not been encumbered.

7/14/2020

BJM



INFORMATIONAL MEMORANDUM

TO: Planning and Economic Development Committee

FROM: Derek Speck, Economic Development Administrator

CC: Mayor Ekberg

DATE: July 14, 2020

SUBJECT: Business Recovery Update

ISSUE

This item is intended as an update and discussion on Tukwila's business recovery.

BACKGROUND

In May staff from the City's Parks and Recreation Department attempted to call 368 Tukwila businesses to conduct a survey on the effects of COVID-19 on our economy. Of those, staff spoke with 110 businesses. Of the 110 businesses, 46 requested the survey be emailed, 11 were not interested, 2 were partially completed, and 49 were completed over the phone. Two businesses did not speak English.

On June 23 and July 1, staff emailed a link to an online survey to all 990 Tukwila businesses for whom we have email addresses. Of those, we had an open rate of 30% and 36%, respectively and a total of 29 clicks on the survey. We received 12 completed surveys.

The City's purpose for conducting the telephone and online survey of our businesses was order to:

- a. Better understand the extent of current closures and projections for reopening
- b. Ensure businesses are aware of available resources
- c. Learn about their needs so we can assist them
- d. Confirm contact information for future communications
- e. Express the City's support

We ran into some challenges with the survey process and did not complete them as quickly, or as comprehensively, as we had intended. A summary of the survey results is attached. Staff will be available to provide analysis during the meeting.

DISCUSSION

Staff continues to work on the following to support business recovery:

1. Follow-up with requests or specific needs indicated by some of the businesses through their survey responses.
2. Informing businesses of resources that may help them by posting information on the City's website and sending weekly email updates to all businesses (approximately 1,000). Over a five-week period we sent five emails to 1,000 businesses each time. Generally, 30 to 50% of the businesses opened the emails and 10 to 20% who opened the emails clicked on at least one item.
3. Expanding marketing for SavingLocalKC.com.
4. Expanding marketing and branding through ExperienceTukwila.

5. Continuing our work with the Lodging Tax Advisory Committee and exploring more ways to support business recovery.
6. Supporting the Chamber of Commerce's Southside Promise program and using the Port of Seattle grant for additional business advisory assistance.
7. Exploring marketing and event partnerships with Westfield Southcenter and other businesses.
8. Exploring the best options for Tukwila to use the \$31,965 CARES Act grant from King County.
9. Exploring whether Tukwila should apply, or partner with other cities to apply for a grant from the US Economic Development Administration (EDA).

As businesses have reopened, staff has restarted work on other items on our 2020 workplan (see attached). Staff welcomes Committee feedback on business recovery work and other priorities on the work plan.

FINANCIAL IMPACT

No budget changes are requested at this time.

RECOMMENDATION

Information and discussion only.

ATTACHMENTS

Business Survey Results
2020 Economic Development work plan

City of Tukwila Business Survey Answers

Questions and Answers	Counts	
	Telephone Survey	Online Survey
<u>Preferred Language</u>		
English	41	10
Mandarin	0	2
Not Answered	8	0
Total	49	12
<u>Product or Service Description</u>		
Distribution/warehousing/logistics	1	
Lodging	2	
Manufacturing	2	
Retail	5	1
Other: Services to Businesses	6	5
Other: Services to Consumers	7	4
Other	23	2
Not Answered	3	
Total	49	12
<u>Are You Currently Open for Business?</u>		
No, we are closed due to the Governor's Order	8	1
No, other reasons	0	1
Yes	26	7
Yes, but our services are limited	13	3
Not Answered	2	0
Total	49	12
<u>Have You Lost Business Due to COVID-19?</u>		
Yes	38	11
No	9	1
Not Answered	2	0
Total	49	12
<u>How Much Business Have You Lost?</u>		
Less than 10%	5	1
About 33%	9	1
About 50%	8	1
About 75%	3	3
About 100%	6	2
Not Answered	18	4
Total	49	12

How Many Full-Time Jobs Normally Work at this Location?

Low	0	1
High	150	55
Average	17	9
Total	716	106
Not Answered	8	0

How Many Part-Time Jobs Normally Work at this Location?

Low	0	0
High	70	9
Average	4	2
Total	174	22
Not Answered	7	0

Have You Laid-Off, Furloughed, or Reduced Hours for Workers
Due to COVID-19?

Yes	24	6
No	20	5
Not Answered	5	1
Total	49	12

How Many Were Full-Time?

Low	1	0
High	97	8
Average	15	1
Total	262	13
Not Answered	32	6

How Many Were Part-Time?

Low	0	1
High	50	8
Average	6	1
Total	83	13
Not Answered	35	6

When Do You Expect to Increase Worker Hours, Rehire Workers,
Or Hire New Workers?

Other	15	3
Not Answered	34	9
Total	49	12

When Do You Expect to Reopen?

As Soon as Governor's Order is Lifted	6	1
Other	5	1
Not Answered	38	10
Total	49	12

If Your Business is Open with Reduced Services, How Soon Do You
Expect to Return to Providing Regular, Full Service?

As customers and demand returns	6	
As soon as Governor's Order is Lifted	10	
Other	29	
Not Answered	4	
Total	49	

Once Non-Essential Businesses Are Allowed to Reopen, What is the
Most Important Thing to Help Your Business?

Customer demand and/or safety	10	3
Other	3	7
PPE	2	1
Not answered	34	1
Total	49	12

Once Businesses Are Allowed to Reopen, Would You
Want Any of the Following Types of Assistance?

Assistance getting supplies, equipment, or stock	3	3
Assistance with finance	1	1
Assistance with marketing	1	5
Training or other information related to COVID	4	1
Other	0	2
Not Answered	40	0
Total	49	12

Has Your Business Applied for a PPP Loan?

Yes	25	8
No	22	4
Not answered	2	0
Total	49	12

If Yes, What is the Status?

Approved	19	7
Amending application	1	0
Waiting to hear	3	0
Rejected	1	1
Not answered	25	4
Total	49	12

Has Your Business Applied for an SBA EIDL Loan?

Yes	7	8
No	39	4
Not answered	3	0
Total	49	12

If Yes, What is the Status?

Approved	4	5
Amending application	1	0
Waiting to hear	1	2
Rejected	0	1
Not answered	43	4
Total	49	12

In the Past Four Weeks, Have You Received Any Emails from the City's Office of Economic Development?

Yes	7	8
No	40	4
Not answered	2	0
Total	49	12

Are You Familiar with the City's Webpage Listing Resources That May Help Small Businesses During COVID?

Yes	10	8
No	37	4
Not answered	2	0
Total	49	12

Are You Interested in Participating in SavingLocalKC.com?

Yes	7	
No	40	
Not answered	2	
Total	49	

Have You Visited the City's Website SavingLocalKC.com?

Yes		3
No		8
Not answered		1
Total		12



City of Tukwila

MAYORS OFFICE
ECONOMIC DEVELOPMENT DIVISION
2020 WORKPLAN - DRAFT 1-16-20

Project		Description
Tukwila Village	1	Support Tukwila Village Community Development Associates (non-profit)
	2	Approve developer parking management plan
	3	Approve estoppel certificate of completion for Phase 2
Land Sales	1	Coordinate sale of city property to HealthPoint for health and wellness center
	2	Coordinate sale of Longacres parcel
	3	Coordinate sale of Newporter parcel
Public Safety Plan	1	Coordinate sale of Traveler's Choice property to affected businesses
	2	Support project management team with design and permit review
Economic Development Plan	1	Create an economic development plan for Tukwila
Lodging Tax Advisory Committee	1	Coordinate committee including applications, contracts, and reporting
	2	Monitor legislative issues
	3	Build upon business relationships
Branding and Tourism Marketing	1	Lead development of branding and wayfinding plan
	2	Build partnerships with strategic organizations (e.g. Sounders and Seawolves)
	3	Facilitate and sponsor special events such as Rave Green Run, etc.
	4	Facilitate art in Southcenter District
	5	Facilitate Baker Boulevard for festivals and events
	6	Facilitate improvement of Tukwila Pond Park
	7	Develop strategy to grow entertainment attractions
	8	Develop digital media strategy for visiting and living in the Southcenter District
Policy	1	Manage City's regional transportation policy and advocacy
	2	Participate in zoning and on street parking policy for Tukwila Int'l Boulevard
Business Retention, Expansion and Attraction	1	Marketing to attract business and development
	2	Networking to attract business and development
	3	Respond to business inquiries
	4	Support development of TIB with branding, business development, etc.
	5	Support maintenance of KentValleyWA.com and SoundsideAlliance.com
	6	Provide permitting assistance for priority projects
Regional ED Organizations	1	Participate in Greater Seattle Partners, Chambers of Commerce, Seattle Sports Commission, Int'l Council of Shopping Centers, etc.



City of Tukwila

MAYORS OFFICE
 ECONOMIC DEVELOPMENT DIVISION
 2020 WORKPLAN - DRAFT 1-16-20

Project	Description
Other	<ol style="list-style-type: none"> 1 Coordinate development agreements (when ED is the lead) 2 Manage multi-family property tax exemption program 3 Coordinate Port of Seattle economic development grant
Administrative	<ol style="list-style-type: none"> 1 Participate on Administrative Team 2 Staff Highline Forum 3 Staff Soundside Alliance for Economic Development 4 Staff Port of Seattle Roundtable (START) 5 Staff Airport Budget Provisio Working Group
Additional/Small	<ol style="list-style-type: none"> 1 Business outreach for plastic bag policy 2 BNSF study 3 Crosswalk art
Potential Projects	<ol style="list-style-type: none"> 1 Adapt to economic development plan 2 Coordinate way to leverage business community relationships 3 Evaluate ZIP code effect on city tax revenue and image 4 Support analysis of sales tax 5 Participate in Green and Duwamish River related policies (e.g. levee) 6 Support analysis of affordable housing economics and policy 7 Expand branding related to business retention, expansion, and attraction 8 Support special event permit process to attract strategic festivals and events 9 Participate in regional economic development policy such as PSRC

Notes:

The numbers are included for reference only and do not indicate priority or rank.

This workplan was planned in January 2020 which was before COVID-19 pandemic began in the U.S.

This workplan does not include economic development work related to COVID-19 business recovery.