



City of Tukwila
**Planning and Community
 Development Committee**

- ◆ Kathy Hougardy, Chair
- ◆ Verna Seal
- ◆ Thomas McLeod

Distribution: K. Hougardy V. Seal T. McLeod K. Kruller	Mayor Ekberg D. Cline R. Bianchi C. O'Flaherty A. Youn L. Humphrey
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AGENDA

MONDAY, JUNE 21, 2021 – 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 292841299#**

Click here to: [Join Microsoft Teams Meeting](#)
For Technical Support during the meeting call: 1-206-431-2179.

Item	Recommended Action	Page
1. BUSINESS AGENDA		
a. Application for lodging tax funds: City of Tukwila for Parks and Recreation Department for Phase 2 Art Installation along Baker Boulevard in the amount of \$75,000.00. <i>Brandon Miles, Business Relations Manager</i>	a. Forward to 6/28 Special Meeting Consent Agenda.	Pg.1
b. An update on tourism. <i>Brandon Miles, Business Relations Manager</i>	b. Discussion only.	
c. American Rescue Plan Act small business support. <i>Derek Speck, Economic Development Administrator</i>	c. Discussion only.	Pg.15
2. MISCELLANEOUS		

Next Scheduled Meeting: July 19, 2021



The City of Tukwila strives to accommodate individuals with disabilities.
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INFORMATIONAL MEMORANDUM

TO: **Planning and Community Development**

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

CC: **Mayor Ekberg**

DATE: **June 15, 2021**

SUBJECT: **Lodging Tax Funding Requests**

ISSUE

Review of a lodging tax funding request from the City of Tukwila Parks and Recreation for Phase 2 of art work along Baker Blvd in the Southcenter District.

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

Following its June 11, 2021 meeting, LTAC recommended approval of a lodging tax request from the City of Tukwila Parks and Recreation Department of \$75,000 for a Phase 2 of artwork installation along Baker Blvd in the Southcenter District.

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, Parks and Recreation, Phase 2 of Art Installation along Baker Blvd (\$75,000).

Last year the City of Tukwila Parks and Recreation Department installed artwork along Baker Blvd in the Southcenter District. This artwork was funded largely by the City's tourism funding, with additional funds coming from the City 1% for arts. The artwork is entitled, "Walking the Waves" and is a series of 13 wave designs and 52 dots. This artwork was focused along Baker Blvd between Andover Park West and East.



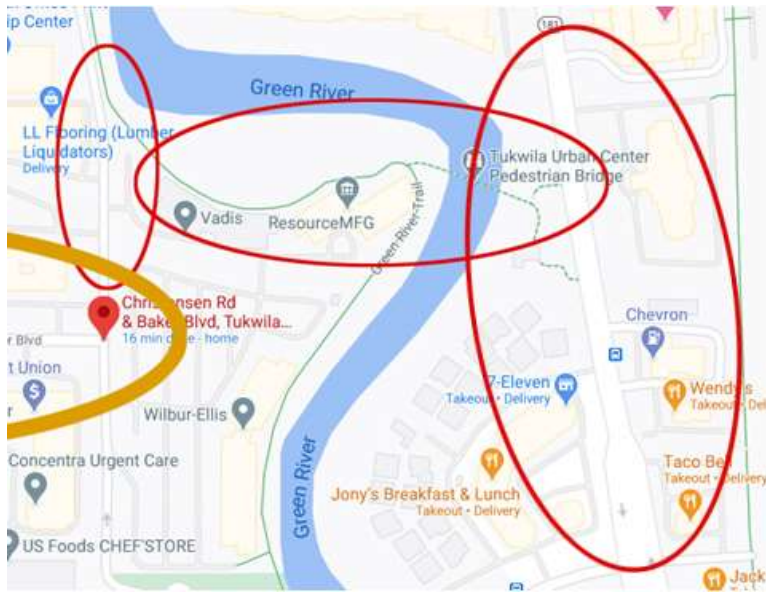
One of the final waves installed along Baker Blvd.



City staff installing one of the art pieces on a sidewalk along Baker Blvd.

Baker Blvd serves as the pedestrian spine for the City's Southcenter District, linking the Sound Transit Commuter Rail Station, via the pedestrian bridge, to the District's core. Additionally, Baker Blvd has been identified as a festival street in the District. The City has already used the street for two 5K runs with the Rave Foundation. The art helps to make a better environment for users of the Blvd and creates a sense of a destination for the District. Finally, the artwork is in the City's hotel district. There are approximately 2,000 hotel rooms located within one mile of Baker Blvd.

Phase 2 art will extend out the artwork east towards West Valley Hwy and will include additional wave patterns and signature art piece within the intersection of Baker Blvd and Christensen Road.



General area of phase 2 art installation.



Representation of intersection art at Baker Blvd and Christensen Road.



Representation of additional “wave” art to be installed along walkways and sidewalks.

LTAC Recommendation on Application: Do Fund

Staff Recommendation on Application: Do Fund

FINANCIAL IMPACT

The total request for lodging tax funds is not to exceed \$75,000. The six-year Tourism Financial Plan approved by the City Council in December of 2020 allocated a total of \$75,000 in lodging tax funding for Southcenter Art in 2021.

2020 Tourism Six-Year Financial Plan Allocation	
Southcenter Art:	\$75,000.00
City of Tukwila, Parks and Recreation Department (Pending):	(\$75,000)
Remaining Southcenter Art Funds:	\$0.00

RECOMMENDATION

Staff recommends the funding request be approved and placed on the June 28 Special Meeting consent agenda.

ATTACHMENTS

1. City of Tukwila, Staff Report to Lodging Tax Committee, Southcenter Art
2. City of Tukwila, Parks and Recreation, Lodging Tax Application, Southcenter Art

Staff Memorandum

Lodging Tax Advisory Committee Funding Request

Name of Applicant:

City of Tukwila, Parks and Recreation

Address:

6200 Southcenter Blvd.
Tukwila, WA 98188

Total Funds Requested:

\$75,000

About the Applicant:

The City of Tukwila is a non-charter City organized under the laws of the State of Washington. Founded in 1908, Tukwila is one of the oldest cities in King County. Since its founding, Tukwila has always been a community at the “crossroads.” Tukwila lies at one of the busiest freeway interchanges in Washington State. The City has a small bedtime population of just under 20,000. During the day the City’s population swells to over 150,000 people, with people coming to the City to work, shop, dine, stay in hotels, and to visit once in a life time experiences, such as the Museum of Flight or iFly.

The City is one of the most diverse cities in the country. Over 70 languages are spoken in the Tukwila School District. Many well-known businesses are based in Tukwila, such as BECU, Westfield Southcenter, Seattle Seawolves, Seattle Sounders FC, Top Pot Donuts, Pop Gourmet, and the Sabey Corporation. The City has over 2,000 hotel rooms and over 100 restaurants

Funds Previously Awarded:

\$40,000 in 2019 for art installation along Baker Blvd.

Funding Request Narrative:

The City of Tukwila, Parks and Recreation Department is requesting funding for a phase 2 of art installation along Baker Blvd. This art will build from the artwork installed in 2020 by the City’s Park and Recreation Department. There are two specific art works to be installed as part of this phase:

Project # 1 - Thermoplastic Intersection Ground Mural at Baker Boulevard and Christensen Road

Project #2 – Additional Thermoplastic Sidewalk Murals to Extend the “Walking Path” from Christenson to the Southcenter Pedestrian Bridge.

Staff Comments:

The proposed art builds off the art that was installed by Parks and Recreation in 2020 the Baker Blvd spine. This spine connects the Sounder Station to the Southcenter residential core and Southcenter Mall. The goal with the art is to create a better experience for the user and to help build a better environment for visitors. The art is also being installed along Baker Blvd which the City has identified as a festival street in the Southcenter District.

Consistency with Six Year Financial Model:

For 2021, the Six Year Financial Plan shows \$75,000 for Southcenter Art. There will be sufficient funds remaining in the budget for other 2021 sponsorships.

Southcenter Art Funds Provided in Six Year Financial Plan (2021):	\$75,000
<u>City of Tukwila, Parks and Recreation (pending)</u>	<u>(\$75,000)</u>
Remaining Funds:	\$0.00

City of Tukwila Staff

Recommendation to LTAC: Approval

Notes:

This is a project specific request. The goal is to have all the art installed by 2021, but this project could extend into 2022.

Application to the City of Tukwila for Use of 2021 Lodging Tax Funds

Event or Activity Name (if applicable):	City of Tukwila, Parks and Recreation
Amount of Lodging Tax Requested:	\$75,000
Applicant Organization:	City of Tukwila
Federal Tax ID Number:	91-6001519
Mailing Address:	12424 42 nd Ave S, Tukwila WA 98168
Primary Contact Name:	Tracy Gallaway
Primary Contact Phone:	206-767-2305
Primary Contact Email Address:	Tracy.gallaway@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 Company

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 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.

Tracy L Gallaway

Signature:

June 7, 2021

Date:

Printed or Typed Name: Tracy Gallaway

1) Describe your tourism-related activity or event.

The Southcenter District is primarily a commercial hub and a regional destination for shopping, entertainment, and travel. At the north end of the Southcenter District there is some office space and new residential uses. This area is continuing to evolve, moving from the past model of automobile dominance to a vibrant urban core that is pedestrian and transit friendly. The Southcenter District also includes the City’s largest concentration of hotel rooms, with nearly 2,000 rooms in the District.

The artistic vision for this area is to develop a unique and iconic visual experience that will be specific to the Southcenter District. Baker Boulevard between Andover Park West and Christensen Road was identified as a location for a “Festival Street” concept. This includes using public art to define a space for outdoor events and festivals, support future Arts & Culture programs, and create additional points of interest for visitors. The implementation of public art is intended to stimulate pedestrian traffic, tourism, and generally raise the profile of the area as a hub for Arts & Culture locally, regionally, and nationally.

The art projects are designed to continue to enhancing Baker Boulevard and support the “Festival Street” concept, as well as establish a “walking path” of artwork that will connect amenities throughout the Southcenter District.

Project # 1 - Thermoplastic Intersection Ground Mural at Baker Boulevard and Christensen Road

Location: This intersection has been identified by the city as an outdoor venue site for events.

Goal: A colorful intersection mural will create a vibrant focal point for drivers and pedestrians, as well as an iconic decorative backdrop for events. The design, at **52’ x 34’**, complements the existing sidewalk mural design and is intended to be an extension of the ground art already implemented on Baker Boulevard.

Points for consideration:

- As with the sidewalk ground murals, the City of Tukwila Parks and Recreation Department would provide the equipment and staff to do the Thermoplastic installs. Staff time would be supported by the 1% Arts Fund.
- The intersection art is fully designed, and with funding, the project could be implemented this summer, weather dependent.

Timeframe for completion: Summer 2021



Project #2 – Additional Thermoplastic Sidewalk Murals to Extend the “Walking Path”

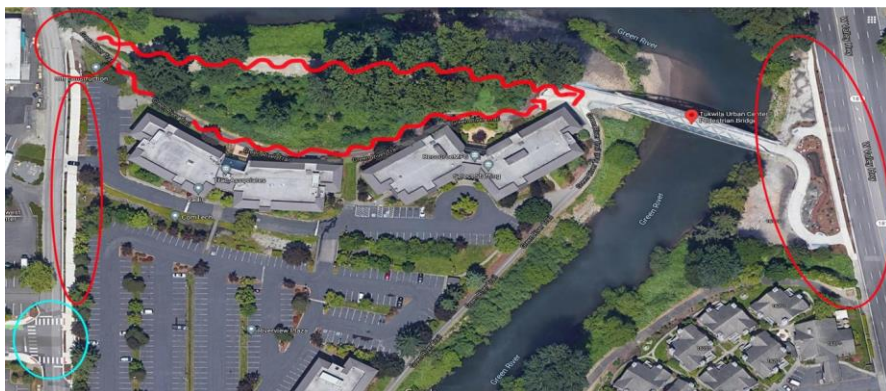
Location: Along Christensen Road and the east side of the Green River

Goal: The sidewalk art is a decorative wayfinding strategy to highlight a walkable route through Southcenter and support a more pedestrian friendly experience. Currently the sidewalk art runs along Baker Boulevard between the Southcenter Mall and Christensen Road. The proposal to place additional sidewalk murals would expand the art "walking path" along Christensen Road to an existing entrance to the Green River Trail. From there the Green River Trail runs east and hooks up to the Tukwila Urban Center Pedestrian and Cyclist Bridge. The ground murals would pick up again on the sidewalks on the east side of the river (exact locations pending approval). The ground mural expansion would include **13 waves total, each 4' wide x 16' long**, as well as **52 dots with either 18" or 24" diameters**. The placement of the sidewalk murals will take into consideration broader plans for a connected pedestrian corridor. As additional works of art are added, this will be a dynamic art walk for visitors and Tukwila residents to enjoy.

Points for consideration:

- As with the sidewalk ground murals, the City of Tukwila Parks and Recreation Department would provide the equipment and staff to do the Thermoplastic installs. Staff time would be supported by the 1% Arts Fund.
- The sidewalk ground mural design is fully designed, and, with funding, the project could be implemented this summer, weather dependent.
- The “wave” design is accompanied by “dot” details that can be used in combination or placed on their own to activate multiple locations on the "walking path". The repetition of colors and forms will build visual recognition becoming a memorable feature for visitors and will target a walking route that links amenities throughout the area.

Timeframe for completion: Summer 2021



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

NA, however, we are aware that the Seattle Sounders are interested in coordinating their annual 5K fun run and the gathering location is the same as noted for the intersection mural. In addition, this art is an investment in the City's Baker Blvd Festival street. As we recover from COVID-19 the City hopes to have more events and activities on the street. The art improves the overall visitor experience while in the City.

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

This project will create opportunities for attracting both day and overnight tourists. The art could also be something to be featured on <https://www.seattlesouthside.com/scenes/>.

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

The purpose of the project is to develop a unique, iconic, artistic visual experience that will be specific to the Southcenter District. This collaboration between Elizabeth Gahan and the City of Tukwila will create an outdoor venue for events, festivals, temporary art exhibitions and other public activities.

The District is home to nearly 2,000 hotel rooms. This art helps to improve the quality of the experience for visitors.

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

There is potential for this venue to attract visitors of all types – local, regional, national, and international.

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

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

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.

When completed the artwork provides opportunities for people to take photo of the art for posting on social media. The City will promote the art work on the Experience Tukwila digital platforms. The art could also be included on <https://www.seattlesouthside.com/scenes/>

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

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

11) Describe how you will use the name, “Tukwila” in publications, promotions, and for your event? Any time we can promote the project, through media or print materials, we will recognize the City of Tukwila and LTAC for the funding support of this project. We have a section on the City’s website listed under Parks & Recreation Department Projects which has videos of the project and recognition of contributions made by LTAC/City.

<https://www.tukwilawa.gov/departments/parks-and-recreation/projects-plans-and-documents/>

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.) NA

As a direct result of your proposed tourism-related service, provide an estimate of:	
a. Overall attendance at your proposed event/activity/facility.	0
b. Number of people who will travel fewer than 50 miles for your event/activity.	0
c. Number of people who will travel more than 50 miles for your event/activity.	0
d. Of the people who travel more than 50 miles, the number of people who will travel from another country or state.	0
e. Of the people who travel more than 50 miles, the number of people who will stay overnight in Tukwila.	0
f. Of the people staying overnight, the number of people who will stay in PAID accommodations (hotel/motel/bed-breakfast) in Tukwila.	0
g. Number of paid lodging room nights resulting from your proposed event/ activity/facility (<i>for example: 25 paid rooms on Friday and 50 paid rooms on Saturday = 75 paid lodging room nights</i>)	0

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.? NA

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

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

16) What is the overall budget for your event/activity/facility? What percent of the budget are you requesting from the City of Tukwila? The overall project budget is \$79,200. If fully funded, the remaining balance will be paid for out of the city's 1% for arts fund.

17) What will you cut from your proposal or do differently if full funding for your request is not available or recommended? If the project isn't fully funded, we will scale back the project – choosing to do only one of the proposed art interventions.

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.



INFORMATIONAL MEMORANDUM

TO: **Planning & Community Development Committee**
CC: **Mayor Ekberg**
FROM: **Derek Speck, Economic Development Administrator**
DATE: **June 6, 2021**
SUBJECT: **American Rescue Plan Act Small Business Support**

ISSUE

This memo is provided as an overview of small business support that is funded through the American Rescue Plan Act (ARPA) as the City decides how to use the allocation of ARPA funds that it will receive.

BACKGROUND

The American Rescue Plan Act (ARPA) that was approved in March of 2021 is a \$1.9 trillion federal COVID-19 stimulus package. It includes significant funding for small business support through a variety of federal programs. It also includes a \$350 billion Coronavirus State and Local Fiscal Recovery Fund (LFRF), of which \$130 billion is intended for municipalities and counties. Of the LRF, the City of Tukwila anticipates receiving approximately \$4.4 million. The City can choose to use some of its LFRF funds for small business support.

Federal Programs

Following is a summary of the business assistance programs receiving the larger allocations of ARPA funds. Starting in 2021 the federal programs have increased emphasis on serving small and disadvantaged businesses.

- The Paycheck Protection Program (PPP) is implemented by the US Small Business Administration (SBA) and provides low interest loans and grants (“forgivable loans”) to businesses. In 2021 the program received an additional \$284 billion of funding from ARPA. The application period closed on May 31, 2021. To date, the SBA reports the program issued over 11.8 million loans (including forgivable loans) for a total of nearly \$800 billion.
- The Economic Injury Disaster Loan (EIDL) is implemented by the SBA and provides low interest loans (plus some grants, called “advances”) to small businesses. As of June 3, 2021 the SBA has issued over \$209 billion in EIDL loans and \$2 billion in grants. The application period for grants is closed but the SBA is still accepting applications for loans.
- The Restaurant Revitalization Fund (RRF) is implemented by the SBA and provides grants to businesses who sell food and beverages to the general public. ARPA provided \$28.6 billion for RRF. The application period closed on May 24, 2021.

- The State Small Business Credit Initiative (SSBCI) is implemented by the US Department of the Treasury to strengthen state programs that support private financing to small businesses such as revolving loan funds, venture capital funds, and loan guaranty programs. ARPA provided an additional \$10 billion. Of the \$10 billion, \$2.5 billion is allocated for programs that support businesses controlled or owned by socially and economically disadvantaged individuals. \$500 million is allocated for technical assistance to minority businesses and \$500 million for very small businesses.
- The Economic Adjustment Assistance program is implemented by the US Department of Commerce to prevent, prepare for, and respond to coronavirus and for necessary expenses for responding to economic injury as a result of coronavirus. ARPA provided an additional \$3 billion. Most of the funds will be distributed through the US Economic Development Agency (EDA) and we anticipate those funds starting to become available this year. We do not yet know the specifics of how those funds will be used.
- The Community Navigator Pilot Program is being launched by the US Small Business Administration to use culturally knowledgeable partners to connect small businesses in underserved communities to business technical assistance. ARPA provided \$100 million over a two-year period. Business assistance organizations may apply to be the “hub” to create a regional program connecting local service providers to small businesses. Applications are due July 12.

State Programs

In addition to federal funding through ARPA, the State of Washington recently awarded \$240 million to small businesses under round four of the Working Washington grant program. The State’s Department of Commerce anticipates conducting a fifth round this summer with an additional \$50 million.

Eligible Uses of City ARPA Local Fiscal Recovery Funds for Business Support

The ARPA provides that cities can use their Local Fiscal Recovery Fund allocations for a variety of purposes. In terms of small business support, the funding may be used to help small businesses address financial challenges caused by the pandemic and to make investments in COVID-19 prevention and mitigation tactics, as well as to provide technical assistance. To achieve these goals, recipients may employ this funding to execute a broad array of loan, grant, in-kind assistance, and counseling programs to enable small businesses to rebound from the downturn. The ARPA specifically identifies industry sectors that were particularly hard-hit by the COVID-19 emergency such as tourism, travel, and hospitality are eligible for support.

The ARPA also allows cities to use their LFRF funds to invest in water, sewer, and broadband infrastructure. Cities can also use “lost revenue” for general government services. Depending on how those investments are made, the investments may help small businesses.

DISCUSSION

It is likely that many Tukwila businesses are still financially hurting from the pandemic, especially those in the tourism, travel, and hospitality sectors. If we were to survey our businesses on what they need to recover, they would probably not want loans. The government has issued a lot of loans and funds are still available and becoming more flexible. Businesses

probably would want grants. However, if we were to use our ARPA funds for small business grants, it would reduce the funds available for other programs and general government services. Some cities did not have much lost revenue so they would not be concerned by that. Tukwila did have considerable lost revenue and impacts to our general government services.

Since the start of the pandemic, staff has invested considerable time trying to help small businesses understand what resources are available. Although the federal and state governments have significantly improved outreach for small and disadvantaged businesses in the past year, staff believes there still are significant gaps and an investment in a community navigator program for small businesses would be worthwhile. Although Tukwila could fund a small business community navigator program on its own, it may be more efficient to partner with other organizations. The SBA's new Community Navigator Pilot Program may help fill that need but at this time we are not aware of a local organization who plans to apply. The State's Department of Commerce plans to apply but we do not know the extent to which they will focus on South King County. Given that the SBA Community Navigator program is funded at \$100 million for 50 states, it is likely only one or two organizations per state will receive funding.

The pandemic has highlighted the importance of digital resources and digital literacy for businesses. To the extent the City is able to help broadband expand in our area, it is likely to help small businesses. This year we will use our grant from the Port of Seattle to do a small digital literacy program with a few small businesses. If that is successful and we see a larger need, we could use ARPA funds to expand that program.

We have been in contact with staff from some of our adjacent South King County cities and they are still evaluating how to use their ARPA funds to help small business. There is some general interest in creating a revolving loan fund or grant program and agreement on the need for more community navigators. We will continue those conversations.

At this time we think it will be better to see how some of the federal and state programs are formed and how they apply to Tukwila before we decide on a specific use of ARPA funds to support our small businesses. It would not be a good use of funds to duplicate services provided by someone else. However, we think it is likely that even once the other programs take effect, there will still be some gaps and it would then make sense for us to create a program or partner with other programs to ensure focus on Tukwila.

Staff recommends setting aside \$200,000 of the ARPA funds for possible small business support to be decided later this year.

FINANCIAL IMPACT

None at this time.

RECOMMENDATION

Discussion only

