



INFORMATIONAL MEMORANDUM

TO: Planning and Community Development

FROM: Brandon Miles, Business Relations Manager

CC: Mayor Ekberg

DATE: March 29, 2022

SUBJECT: Lodging Tax Funding Requests

ISSUE

Review of a lodging tax funding request from the City of Tukwila to sponsor the City's Juneteenth Celebration and to sponsor the Fiesta 5k Ole.

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 March 11, 2022, meeting, the LTAC recommended approval of two funding request from the City's Office of Economic Development.

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, Juneteenth, (\$10,000)

The City of Tukwila is requesting lodging tax funds to help support the City of Tukwila's 2nd Annual Juneteenth Commemoration. The Juneteenth Commemoration is the oldest historical celebration in the United States remembering the end of harmful and racist enslavement of African American people. The City of Tukwila, in collaboration with the Tukwila School District/Foster High School's Black Student Union, community-based organizations, the King County Library System (KCLS), and the Tukwila community have started planning for an in-person event at the Tukwila Sullivan Center.

As part of the City's branding strategy, it was identified that the City should work on creating events tied to the City's multicultural population. The City of Tukwila lacks an authentic large community event that could be a draw for people from around the region. Juneteenth could be that event that the City grows overtime.

Last year's digital event drew a considerable amount of digital traffic to Experience Tukwila website and social media. Last year's videos will be cut into a promotional spot for this year's event.

Key metrics for the event will be total attendance, third party sponsorship participation, social media metrics, and web visits.

LTAC Recommendation on Application: Do Fund.

Staff Recommendation on Application: Do Fund.

2. City of Tukwila, 2022 Fiesta 5k Ole (\$4,000)

The City Office of Economic Development is requesting funding to support and sponsor the Fiesta Ole 5K in May on a date to be determined. This event features a 5K race, music, and food. This event has been held for a number of years in Seattle but is now looking for a new location. Prior to COVID-19, the event had approximately 2,500 participants. With a new race location, it is estimated that there will be approximately 1,000 participants but the race should grow overtime. This is an established event with existing media partners and sponsors. The event organizers have significant experience putting on 5K races and events.

The race is not fully confirmed, and staff wants to be able to support it if we are able to secure it coming to the City

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 to exceed \$15,000.00. The six-year Tourism Financial Plan approved by the City Council in December of 2020 allocated a total of \$150,000 in lodging tax funding for sponsorships in 2021, 2022, and 2023.

2022 Tourism Six-Year Financial Plan Allocation	
Sponsorships:	\$150,000
City of Tukwila, Copa Surf Cup (Approved)	(\$25,000)
Seattle Seawolves (Approved)	(\$40,000)
City of Tukwila, Juneteenth	(\$10,000)
City of Tukwila, Fiesta 5k Ole	(\$5,000)
Remaining Sponsorship Funds:	\$70,000

RECOMMENDATION

Staff recommends that the Committee approve the pending funding requests and forward to the April 18, 2022, consent agenda.

ATTACHMENTS

1. City of Tukwila, Juneteenth, Staff Report to LTAC
2. Lodging Tax Application, City of Tukwila, Juneteenth
3. City of Tukwila, Fiesta 5k Ole, Staff Report to LTAC
4. Lodging Tax Application, City of Tukwila, Fiesta 5k Ole



Staff Memorandum

Lodging Tax Advisory Committee Funding Request

Name of Applicant:

City of Tukwila, Administrative Services

Address:

6200 Southcenter Blvd.
Tukwila, WA 98188

Total Funds Requested:

\$10,000

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:

Last year \$5,000 was awarded to host a digital event for Juneteenth.

Funding Request Narrative:

The City of Tukwila is requesting lodging tax funds to help support the City of Tukwila’s 2nd Annual Juneteenth Commemoration. The Juneteenth Commemoration is the oldest historical celebration in the United States remembering the end of harmful and racist enslavement of African American people. The City of Tukwila, in collaboration with the Tukwila School District/Foster High School’s



Black Student Union, community-based organizations, the King County Library System (KCLS), and the Tukwila community have started planning for an in-person event at the Tukwila Sullivan Center.

Staff Comments:

As part of the City’s branding strategy, it was identified that the City should work on creating events tied to the City’s multicultural population. The City of Tukwila lacks an authentic large community event that could be a draw for people from around the region. Juneteenth could be that event that the City grows overtime.

Last year’s digital event drew a considerable amount of digital traffic to Experience Tukwila website and social media. Last year’s videos will be cut into a promotional spot for this year’s event.

Key metrics for the event will be total attendance, third party sponsorship participation, social media metrics, and web visits.

Consistency with Six Year Financial Model:

2022 Sponsorship Funds Provided in Six Year Financial Plan:	\$150,000
Copa Surf Cup (Approved)	(\$25,000)
Seawolves (Approved)	(\$40,000)
City of Tukwila, Juneteenth (Pending)	(\$10,000)
City of Tukwila, Fiesta 5K (Pending)	(\$5,000)
Remaining Funds:	\$45,000

For 2022, the Six Year Financial Plan shows the City spending \$150,000 for sponsorship, such as this. There will be sufficient funds remaining in the budget for other 2022 other sponsorships opportunities that might arise.

City of Tukwila Staff

Recommendation to LTAC: Approval

Notes:

None.

Application to the City of Tukwila for Use of 2022 Lodging Tax Funds

Event or Activity Name (if applicable):	City of Tukwila's 2 nd Annual Juneteenth Commemoration
Amount of Lodging Tax Requested:	\$10,000
Applicant Organization:	City of Tukwila
Federal Tax ID Number:	91-6001519
Mailing Address:	City of Tukwila ATTN: Niesha Fort-Brooks – Community Engagement Manager Administrative Services and Community Engagement 6300 Southcenter Blvd, Suite 115 Tukwila, WA 98188
Primary Contact Name:	Niesha Fort-Brooks
Primary Contact Phone:	206-462-6692
Primary Contact Email Address:	Niesha.Fort-Brooks@TukwilaWA.gov

<input checked="" type="checkbox"/>	Check all the service categories that apply to this application:
<input checked="" type="checkbox"/>	Tourism promotion or marketing
<input checked="" type="checkbox"/>	Operation of a special event or festival designed to attract tourists
<input type="checkbox"/>	Operation of a tourism-related facility owned or operated by a non-profit organization
<input type="checkbox"/>	Operation and/or capital costs of a tourism-related facility owned by a municipality or a public facilities district

<input checked="" type="checkbox"/>	Check which one of the following applies to your agency:
<input type="checkbox"/>	Non-Profit <i>(Note: Attach a copy of your current non-profit corporate registration from the Washington Secretary of State Office)</i>
<input checked="" type="checkbox"/>	Municipality
<input type="checkbox"/>	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 2022. 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: Niesha Fort-Brooks

Date: 03/07/2022

1. Describe your tourism-related activity or event.

The City of Tukwila is requesting lodging tax funds to help support the City of Tukwila's 2nd Annual Juneteenth Commemoration. The Juneteenth Commemoration is the oldest historical celebration in the United States remembering the end of harmful and racist enslavement of African American people. The City of Tukwila, in collaboration with the Tukwila School District/Foster High School's Black Student Union, community-based organizations, the King County Library System (KCLS), and the Tukwila community have started planning for an in-person event at the Tukwila Sullivan Center.

In 2020 the City of Tukwila Council adopted Resolution 1992, declaring that Juneteenth will be recognized in our community every year. The event will be a celebration of emancipation, and an opportunity to honor African Americans through continued learning and understanding the impacts of slavery and resiliency.

The City of Tukwila is committed to honoring the legacy of the Juneteenth Commemoration and Tukwila's African American community by supporting this signature event for residents, community members, businesses and guests.

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

- City of Tukwila's 2nd Annual Juneteenth Commemoration
- Saturday, June 18, 2022, from 11:00 AM to 3:00 PM
- Tukwila Sullivan Center, 14350 Tukwila International Blvd, Tukwila, WA 98168
- Attendance: 200

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

The Juneteenth Commemoration is a signature event, including marketing and branding on the Experience Tukwila website.

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

The City of Tukwila is centrally located in the transportation corridor that provides access to public light rail, King County's Metro bus system, and the Seattle-Tacoma International Airport. Tukwila is a destination for tourism, entertainment, shopping and its diversity.

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

The geographic target of visitors is primarily a 50-mile radius, specifically targeting hotel guests traveling throughout the region.

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

[The City of Tukwila's 1st Juneteenth Commemoration in 2021](#) was featured on the Experience Tukwila website. The hour-long commemoration is broken into six segments, allowing viewers to watch the commemoration in its entirety or view a one of these segments individually:

- Church by the Side of Road – Negro National Anthem
- Growing and Farming In Tukwila: History before Southcenter Mall
- Honoring Joe Duffie
- Soul Food – A History of African American Cuisine
- Honoring Tukwila Community Members
- Sankofa: Looking Back to Move Forward

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

This will be the City of Tukwila's 2nd Annual Juneteenth Commemoration, but the first year holding it in-person at the Tukwila Sullivan Center. The Tukwila Sullivan Center is a community-centered space for residents and guests to visit the Tukwila library, frequent the small business, and take advantage of the open space where families and friends gather.

5. 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.

City staff will promote the Juneteenth Commemoration on the City of Tukwila's Experience Tukwila website and social media platforms. Additionally, the City will work with community-based organizations, the Tukwila School District, and the Southside Seattle Chamber of Commerce to assist in promoting the event on their social media platforms.

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

City staff will promote this event through the Experience Tukwila website and social media, as well as by word-of-mouth. Tabling opportunities will be made available for businesses and organizations looking to promote their products or services in the Tukwila community.

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

Yes

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

The event will be promoted as being held in Tukwila.

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.	- 200 in-person - 1,000 Experience Tukwila website online views
B. Number of people who will travel fewer than 50 miles for your event/activity.	175
C. Number of people who will travel more than 50 miles for your event/activity.	25%
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 (for example: 25 paid rooms on Friday and 50 paid rooms on Saturday = 75 paid lodging room nights)	0

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.?

This is the first in-person event, so City staff will monitor, evaluate and assesses this event as part of planning the campaign to determine the 2023 Juneteenth Commemoration.

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

N/A

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

N/A

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

Total costs for the event are estimated to be \$10,000. Funds will be used for artists, performers, keynote speaker(s), administrative expenses, and general promotion.

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

City staff will collaborate with key partners to identify expedient funding opportunities from corporate sponsors in the South King County region.

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

Staff Memorandum

Lodging Tax Advisory Committee Funding Request

Name of Applicant:

City of Tukwila, Office of Economic Development

Address:

6200 Southcenter Blvd.
Tukwila, WA 98188

Total Funds Requested:

\$5,000

About the Applicant:

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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:

None for this request.

Funding Request Narrative:

The City Office of Economic Development is requesting funding to support and sponsor the Fiesta Ole 5K in May on a date to be determined. This event features a 5K race, music, and food. This event has been held for a number of years in Seattle but is now looking for a new location. Prior to COVID-19, the event had approximately 2,500 participants. With a new race location, it is estimated that there will be approximately 1,000 participants but the race should



grow overtime. This is an established event with existing media partners and sponsors. The event organizers have significant experience putting on 5K races and events.

The race is not fully confirmed, and staff wants to be able to support it if we are able to secure it coming to the City.

Staff Comments:

This event is consistent with the City’s adopted brand guidelines and brand strategy, which recommended attracting and building more events, specifically cultural events, to the City. This event is an established event with a record of success in attracting participants. The event will help build our Experience Tukwila brand and help to bring people back to the City following the easing of COVID-19 restrictions.

Consistency with Six Year Financial Model:

2022 Sponsorship Funds Provided in Six Year Financial Plan:	\$150,000
Copa Surf Cup (Approved)	(\$25,000)
Seawolves (Approved)	(\$40,000)
City of Tukwila, Juneteenth (Pending)	(\$10,000)
City of Tukwila, Fiesta 5K (Pending)	(\$5,000)
Remaining Funds:	\$45,000

For 2022, the Six Year Financial Plan shows the City spending \$150,000 for sponsorship, such as this. There will be sufficient funds remaining in the budget for other 2022 other sponsorships opportunities that might arise.

City of Tukwila Staff

Recommendation to LTAC: Approval

Notes:

None.

Application to the City of Tukwila for Use of 2022 Lodging Tax Funds

Event or Activity Name (if applicable):	Fiesta 5K Ole
Amount of Lodging Tax Requested:	\$5,000
Applicant Organization:	City of Tukwila
Federal Tax ID Number:	91-6001519
Mailing Address:	City of Tukwila ATTN: Brandon Miles 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

<input checked="" type="checkbox"/>	Check all the service categories that apply to this application:
<input checked="" type="checkbox"/>	Tourism promotion or marketing
<input checked="" type="checkbox"/>	Operation of a special event or festival designed to attract tourists
<input type="checkbox"/>	Operation of a tourism-related facility owned or operated by a non-profit organization
<input type="checkbox"/>	Operation and/or capital costs of a tourism-related facility owned by a municipality or a public facilities district

<input checked="" type="checkbox"/>	Check which one of the following applies to your agency:
<input type="checkbox"/>	Non-Profit <i>(Note: Attach a copy of your current non-profit corporate registration from the Washington Secretary of State Office)</i>
<input checked="" type="checkbox"/>	Municipality
<input type="checkbox"/>	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 2022. 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: Brandon Miles

Date: 03/08/2022

1. Describe your tourism-related activity or event.

The City of Tukwila is requesting lodging tax for a sponsorship of the Fiesta 5K Ole race held around Cinco De Mayo. This is an established race that has in the past been held in Seattle but is now looking for a new home. The race features a 5K run, beer garden, food trucks, and live music. Past, pre-COVID, attendance has been around 2,500. With the race relocating attendance is estimated to be around 1,000 people but would likely grow over time.

The organizers have a close relationship with 92.5 and Hubbard radio stations to promote the event.

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

- Fiesta 5k Ole Race
- Race Date TBD
- Around 1,000 attendees.

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

Focused on bringing in day tourists from outside the City. This event would also help with overall branding for the City.

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

The City of Tukwila is centrally located in the transportation corridor that provides access to public light rail, King County's Metro bus system, and the Seattle-Tacoma International Airport. Tukwila is a destination for tourism, entertainment, shopping and its diversity.

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

Community members within one-hour drive of the City.

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

This is an established run that benefits AtWork! which provides supported employment services with people with disabilities. The event has been held for over five years and has a strong draw, including race participants and sponsors. Pre-COVID the race draw approximately 2,500 runners.

<https://www.fiesta5kole.com/>

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

No, see the response for item #3.

5. 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 race collaborates with Hubbard radio stations to promote the run.

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

The event will be held in the Southcenter District and thus will help bring visitors to the City. The event will be promoted on the Experience Tukwila site and help with bringing traffic to the site.

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

Yes

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

The event will be promoted as being held in Tukwila.

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.	1,000
B. Number of people who will travel fewer than 50 miles for your event/activity.	750
C. Number of people who will travel more than 50 miles for your event/activity.	25%
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 (for example: 25 paid rooms on Friday and 50 paid rooms on Saturday = 75 paid lodging room nights)	0

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.?

All race participants must register. This will provide us data on their home location and other demographic information.

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

No.

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

No

13. 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 funds to sponsor the race and help with logistics only. The \$5,000 is only a portion of the budget and does not reflect the actual costs of the race.

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

The race may not occur in the City or the City may not be able to be a sponsor of the event.

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