

Staff Report

June 21, 2022 Council Regular Meeting

Lodging Tax Advisory Committee Decision (submitted by Jennifer Gorsuch, Administrative Services Director)

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BACKGROUND: The Lodging Tax Advisory Committee meets annually to review applications for Lodging Tax funds per RCW 67.28.1817, with their most recent meeting on May 24, 2022.

SUMMARY: The City of Camas uses lodging tax funds to support and encourage tourism and cultural activities in Camas. The City is working on ways to strengthen our position for day and overnight visitors, with the goal of positioning Camas as one of the premiere shopping, dining, and entertainment destinations in the region.

The City of Camas charges a 2% charge on overnight stays in the hotel in the City. These funds are commonly referred to as lodging tax funds or hotel funds.

Washington State law strictly limits how lodging tax funds can be used (RCW 67.28.1815-.1816). Lodging tax funds must be used for activities, operations and expenditures designed to increase tourism (day and overnight). Specifically, lodging funds can be used for:

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.

Governmental entities and nonprofit organizations can request lodging tax funds directly from the City for events, activities, and marketing initiatives intended to bring more people to the City. For-profit entities and individuals are not eligible for direct funding.

State law requires that lodging tax funding applications be reviewed and approved by the City's Lodging Tax Advisory Committee (LTAC) with consensus by City Council. All applications must include projections on the number of estimated visitors to/population impacted by the event or activity being funded.

The committee is made up of the two owners of the Camas Hotel, the president of the Camas-Washougal Chamber of Commerce and chaired by City Council Member Roberts.

Applications were received by the Camas-Washougal Chamber of Commerce or Camas Days, the City of Camas Parks & Recreation Department for Hometown Holidays, the Downtown Camas Association for regional advertising, and by the WHY Community non-profit for the Santa's Posse 5K.

Here are the amounts awarded by the committee, which were reviewed at the June 6 City Council Workshop meeting:

\$5,938 to the Downtown Camas Association

\$7,500 to the Camas Washougal Chamber of Commerce

\$1,400 to the City of Camas – Hometown Holidays

\$3,000 to Why Community

\$17,838 TOTAL

EQUITY CONSIDERATIONS:

What are the desired results and outcomes for this agenda item? The desired outcome is attracting visitors and citizens to Camas through a variety of events and advertising to support Camas lodging establishments.

What's the data? What does the data tell us? N/A

How have communities been engaged? Are there opportunities to expand engagement? N/A

Who will benefit from, or be burdened by this agenda item? N/A

What are the strategies to mitigate any unintended consequences? N/A

Does this agenda item have a differential impact on underserved populations, people living with disabilities, and/or communities of color? Please provide available data to illustrate this impact. N/A

Will this agenda item improve ADA accessibilities for people with disabilities? N/A

What potential hurdles exists in implementing this proposal (include both operational and political)? N/A

How will you ensure accountabilities, communicate, and evaluate results? The lodging tax applicants and committee members will look at ways to track attendance at events as well as surveying hotel guests to determine if there is a return on investment into the advertising and events.

How does this item support a comprehensive plan goal, policy or other adopted resolution?

RECOMMENDATION: Staff recommends approving this Consent Agenda item.