

TUMWATER LODGING TAX ADVISORY COMMITTEE
MINUTES OF VIRTUAL MEETING
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CONVENE: 9:00 a.m.

PRESENT: Councilmember & Chair Eileen Swarthout and committee members Chami Jo Ro, Comfort Inn Conference Center Tumwater-Olympia; David Bills, Tumwater Area Chamber of Commerce; Satpal Sohal, La Quinta Inn & Suites; and Brian Reynolds, Olympic Flight Museum.

Staff: Assistant Finance Director Shelly Carter and Executive Assistant/Deputy City Clerk Hanna Miles.

WELCOME & INTRODUCTIONS: Chair Swarthout welcomed everyone to the virtual meeting. Members provided self-introduction.

**2022 LODGING TAX
FUNDING
RECOMMENDATIONS
AND APPLICANT
INTERVIEWS:**

CAPITAL LAKEFAIR: Chair Swarthout invited Karen Adams to present Capital Lakefair's funding application.

Karen Adams, Capital Lakefair, reported the organization is applying for lodging tax funds to help fund Capital Lakefair this year, as it has been two years since the beginning of the pandemic, which has severely affected Lakefair similar to what other nonprofits have experienced. Capital Lakefair has been in existence for 64 years and has successfully assisted local nonprofits to raise funds. Last year, the organization planned for the fair having met with the Health Department to create a health plan. Thirteen days before the fair, the City of Olympia advised Capital Lakefair that the fair could not be held. Since then, the organization has instituted some budget cuts to include releasing the office manager because of the lack of funds. The goal of the fair is to put heads in hotel beds. Last year, the fair reserved over \$10,000 in hotel rooms and had to cancel those rooms. The fair promotes heavily to attract out-of-town bands, traveling floats, festival heads from other festivals, and vendors who are housed in the three cities' hotels. The fair anticipates attracting 50 vendors this year. Capital Lakefair hosts a large ambassador program through its scholarship program for high school girls from Lacey, Olympia, and Tumwater representing local schools. The students participate in events throughout Thurston County. Funding this year will benefit float signage with Tumwater serving as the largest supporter of float signage for many years. Additionally, the funds will assist in securing fencing and insurance at a cost of \$20,000.

Chami Jo Ro, Comfort Inn Conference Center Tumwater-Olympia and

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Satpal Sohal, La Quinta Inn & Suites joined the meeting at 9:05 a.m.

Ms. Ro inquired as to the reason the funding request increased by several thousand dollars this year. Ms. Adams advised that with the advent of the pandemic, the organization was unable to generate any revenue because of the closure of the fair the last two years. The funds will be used to cover the cost of insurance to enable Lakefair representatives to travel to other community fairs and festivals. Capital Lakefair is part of a Pacific Northwest festival organization and all festivals travel to support festivals throughout the Pacific Northwest.

Chair Swarthout thanked Ms. Adams for the presentation.

**CRAFT DISTRICT
WEEKLONG OPENING
CELEBRATION:**

Tumwater Communications Manager Ann Cook presented the funding request on behalf of City Administrator John Doan.

Manager Cook reported the event was funded by the committee last year but was canceled because of COVID-19. The funding request this year represents an increase. The event budget is \$22,000. Last year, the committee provided \$4,000 in funding. Because of increased costs and challenges with securing products, the request has increased to \$6,000.

Manager Cook shared a video of a smaller opening of Heritage Distilling within the Craft District last year. The proposed new weeklong event includes entertainment at the amphitheater at the Heritage Distilling site located in the Craft District. In addition, education and tasting tours will be hosted similar to the Cascadia Grains Conference, which has been successful in previous years by bringing visitors from New York and California for three to five day overnight visits. Opening events for dignitaries and industry gatherings will also be featured. Similar to the Grains Conference, the event would attract tourists, specifically those who are interested in the craft beverage industry, other brewers, cider makers, and people involved in the supply chain.

Tumwater's long-term strategy is redevelopment of the Brewery District. The Craft District is centrally located and is a natural location for people to experience the City's brewing legacy. Those experiences are unique, are local, and can only be experienced in the City of Tumwater. The new Craft District facility is worthy of a weeklong celebration encompassing local tourist attractions to a broad market of visitors. Manager Cook asked the committee to favorably consider funding the event at \$6,000.

Manager Cook responded to questions and confirmed the event was

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cancelled in 2021 partly because of the delay of construction of a local brewery company. A small opening was celebrated for Heritage Distilling in June when COVID restrictions were beginning to lift. The funds awarded in 2021 were not utilized. Last year, the committee funded \$3,625 of the \$4,000 request. For 2022, the funding request is higher because of the increase in costs. The funds would fund marketing of the event statewide similar to the Cascadia Grains Conference to include a variety of audiences of producers and tourists from across the state. The event will feature entertainment, education symposiums, and a variety of other activities. Typical attendees could include individuals from the industry including farmers, growers, brewers and distillers, and food and beverage interests. The event is tentatively scheduled for the third week in June 2022.

GATEWAY ROTARY CLUB OF THURSTON COUNTY – “NEW EVENT” – 9-YEAR EVENT HELD IN LACEY;

Megan Schoor, Vice President, Gateway Rotary Club of Thurston County, thanked the committee for the opportunity to present a proposal. The Brats, Brews, and Bands (BBB) Festival is the Rotary Club’s annual fundraiser. With the exception of 2020, the Rotary Club has sponsored the event for nine years. The BBB event is a local brew, cider, wine, food, and music event with all proceeds from the festival supporting youth and literacy nonprofit organizations in Thurston County. The Rotary Club has an annual grant application and award process where nonprofits in those sectors apply to receive grant funding through BBB funds. Lodging tax funds from the City of Tumwater and other cities in Thurston County are used by the Rotary Club for marketing and promotional efforts. The Rotary Club uses LTAC funds to promote local businesses and bands involved in the event and to advertise the event, as well as to advertise the fund-raising aspect of the event to assist youth and literacy efforts. This year, the event was held on September 11 with an admission charge of \$25 online and \$30 at the door. The event featured a Cornhole Tournament and a discount for Olympia Master Builders. The ticket cost includes five different tastings or the equivalent of two pints, a souvenir cup, and a cover to view 12 live bands from the Pacific Northwest. This year, the footprint of the event was expanded two-fold because of the pandemic and as a way to promote social distancing and coordinated placement of stages across the event space. For the last several years, the event has been held at The Hub in Lacey. This year, the event expanded to Huntamer Park in Lacey with stages at both locations. Feedback from attendees and volunteers were reflective of an appreciation for extending the event into the park as it afforded additional space. The event also featured a third stage that was well received by attendees. The Rotary Club has considered relocating the event to other locations, such as Rutledge Farm or Thurston County Fair Grounds as potential event space; however, because of the uncertainty of the pandemic, leadership elected to stage

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the event at its long-term location. This year, the event featured food trucks in addition to brats. The brat vendor this year was Jerk Juicy BBQ from Tumwater with several other food trucks offering burgers, desserts, and other foods. The event promotes local brews with local breweries attracting many attendees based on customer feedback. The LTAC funds are used to deliver event-branded coasters throughout Thurston County restaurants and breweries to advertise the event. BBB 21 also featured four brews from Tumwater breweries – Singing Hops Brewery and Triceratops Brewing Company offering 2 brews each. The event hosts a variety of different musicians from the Pacific Northwest. Bands from this year’s event were either local to Thurston County or from the Portland area.

Ms. Schoor reviewed some articles placed in local media and publications highlighting the event. She identified local sponsors of the event. In addition to social media posts, radio announcements, and Thurston Talk articles about the event, an area of the BBB website promotes tourism and encourages visitors to stay at one of the many lodging options in the area.

Ms. Schoor advised that based on the experience this year, the Rotary Club is discussing ways to improve promotion of local tourism. Three objectives have been identified to publicize local attractions for BBB patrons to explore, expand the visibility of local hotels on the event website, and expand the spotlight on local breweries, cideries, and vendors. It is important to build local partnerships with local organizations to ensure the three objectives are successful. *Experience Olympia and Beyond* has been identified as an important partner to collaborate with next year, as well as partnering with the Thurston Bountiful Byway and local hotels to create ‘stay and play packages’ and giveaway BBB tickets. The Rotary Club also wants to connect to the Craft Brewing and Distilling Center and market the event on its community events page and work with Heritage Distilling Company to promote tours and tasting packages with tickets for the BBB event. The Rotary Club measures its success by surveying volunteers and attendees about the event to identify lessons learned for future events. Approximately 25% of the respondents were from Tumwater zip codes. It is important to pursue a similar feedback approach during next year’s event by surveying attendees and volunteers to identify lessons learned and to use the information to identify how successful the event was for different metrics.

Ms. Schoor responded to questions explaining that the BBB event is the only fundraiser for the Rotary Club. The percentage of the revenue donated versus the amount collected for the 2021 event has not been tallied at this time. Ms. Schoor offered to expand the link for lodging to include Tumwater hotels as part of ongoing efforts to

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collaborate with local hotels, as well as coordinating to offer some “stay and play packages”.

**OLYMPIC FLIGHT
MUSEUM:**

Teri Thorning, Olympic Air Show Coordinator, reported the application is for the Olympic Air Show held on Father’s Day weekend, June 18-19, 2022 at Olympia Regional Airport in Tumwater. The funding request is for \$39,000 for marketing, promotion, and performer fees and incentives. The Air Show reserves Tumwater lodging for all performers and crews totaling more than \$9,000 each year. An increase in aerial performers would also include the number of lodging rooms utilized in Tumwater. The tracking mechanism used to establish tourism percentages is an analysis of electronic ticketing. At the last show in 2019, the event attracted 11,400 visitors with a tourism percentage of 19.9% falling within the air show’s average of 18% to 22%. Electronic tickets were purchased by visitors from 21 states. Because the Olympic Flight Museum is open during the year, the organization contributes to Tumwater’s tourism economy year-round. The Air Show’s Event Program includes a page dedicated to lodging and restaurant suggestions, as well as other activities available throughout the greater Thurston County area. The museum distributes extra copies of the program to visitors throughout the summer months for promoting Tumwater hotels and restaurants during the tourism season. The Olympic Air Show website promotes the City of Tumwater and lodging properties and links to all Tumwater hotels. The 2022 Olympic Air Show will be the museum’s 22nd event demonstrating an established history in Tumwater and the greater Puget Sound region. The Olympic Air Show in 2022 is prepared to comply with any state, local, or federal mandates with respect to COVID-19. However, this year, the museum is looking forward to its traditional air show format and hosting an exciting and unique family event in Tumwater. She thanked the committee for its consideration and offered to answer questions.

Chair Swarthout commented on how the community is looking forward to the air show this year.

Ms. Ro asked about the certainty level of the air show occurring in 2022. Ms. Thorning affirmed that she is very confident the air show will be held this year. Each year the event often features an element of surprise.

TOMORROW (NEW):

Christine Greene, Founder, TOMORROW, introduced the new community event, a music festival highlighting local commerce and live music at an affordable price. She recently relocated from Seattle and from New York prior to her residence in Seattle and has been in the music business for approximately 20 years. She believes this area

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of the country has a rich musical history creating some of the seminal bands that have ever existed. She also noticed that there is a lack of live music in the area although there is a high demand. Ms. Greene displayed pictures of other similar festivals across the country such as *Out of Space* in Evanston, IL and *South Lake Union Block Party* in Bothell. She shared a site map of the event featuring bands, vendors, and craft breweries located on the Port Plaza with parking and a potential beer garden. Expectations include eventually featuring several events during the year and by the fifth year moving the event to the shoulder season to assist in increasing tourism in the county. A study by the National Independent Venue Association completed after the start of the pandemic found that for every \$1 spent on ticketing at small venues, \$12 in economic activity is generated within communities for restaurants, hotels, taxis, and retail establishments. To quantify heads and beds, the ticketing company uses many metrics that enable tracking attendees. The venue will also use the CRM email list to track the residence of attendees. A questionnaire will ask attendees to identify their city or residence. The festival website will include links to Tumwater properties. The website will feature Tumwater sites and “Where to Stay” section. She is also considering the possibility of hosting Tumwater “Battle of the Bands” as well as one in Lacey and one in Olympia whereby local judges rate local bands to identify bands to feature at the festival. Local industry workers could also be hired to support the festival. She shared some of Tumwater’s sites that could be promoted and welcomed suggestions from the committee on areas or events to feature in marketing materials. She shared a marketing plan comprised of digital advertising, billboards along the I-5 corridor as far north as Seattle and south to Portland, print advertising, robust community giveaways, and sponsorships. The ticket price would be approximately \$25 for a one-day ticket with additional fees of \$6 to \$7 with a limited number of VIP tickets.

Ms. Ro asked whether the festival is a for-profit event, whether a date for the festival has been established, and if Lacey and Olympia have been asked to provide lodging tax funds as well. Ms. Greene advised that the festival is a for-profit event and if the festival achieves a net revenue gain the funds would roll forward to fund the next year’s event. At this time, a tentative event date is the last weekend in August but she wants to confer with local municipalities to ensure there are no conflicts. The cities of Olympia and Lacey have been asked to provide lodging tax as well. She has applied for \$45,000 from the City of Olympia and \$25,000 from Lacey and Tumwater. The number of bands and whether they are local or national is dependent on funding availability. She plans to employ the “radius clause” when confirming a headliner for a specific fee whereas the band is not allowed to play in Portland or Seattle markets to ensure

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they are only featured in the Olympia event for the Northwest market.

Mr. Reynolds commented on the complexities of the site. He asked about her level of experience and whether volunteers or employees would be available to assist in staging the event. Ms. Greene explained that she has worked in the music arena for approximately 20 years and at festivals for approximately 10 years. She considered the project after relocating to the area last December. Currently, the organization has a sponsorship director who is seeking funding from large corporations. Ms. Greene said she is responsible for local contributions and coordinating with local municipalities. She plans to hire staff when funding becomes available to include a main production position, an accountant, and marketing personnel. She has experience as a manager in the music industry.

**TUMWATER CRAFT
MARKETING:**

Manager Cook presented the funding application for Tumwater Craft Marketing. The request is for \$20,000. The City's overall economic redevelopment plan for the City focuses on brewery redevelopment building on brand equity in Olympia Beer and expanding that to the craft industries. Although initial efforts began slowly, the City has attracted seven local brewers in addition to cider makers and distillers. The craft industry food and beverage tourism is popular and is results oriented. The budget for marketing will help expand efforts to promote Tumwater as a destination. Over the last several years, the City installed wayfinding signs directing travelers to the Warehouse District, Craft District, and the Brewery Park at Tumwater Falls. The City created districts with banners and promotional materials for the Warehouse District that would be expanded to the Craft District. The City hosts a Facebook page and a blog on *Tumwater Craft*. The City needs to continue building audience and followers of the Facebook page and the blog and to capitalize on professional bloggers for travel and craft beverage to attract more followers. The funds will help continue efforts. With scheduled openings of new facilities, it represents another investment in the City's long-term strategies.

Mr. Sohal asked about the status of last year's funds. Manager Cook explained that all funds were used to purchase banner arms for poles along Capitol Boulevard throughout the Craft District.

Mr. Bills asked whether lodging tax is the only funding source to support efforts. Manager Cook affirmed LTAC funds are the only source of funds to support marketing efforts. The lack of funds will affect the ability to purchase more banners.

**TUMWATER ARTESIAN
BREWFEEST:**

Tumwater Parks and Recreation Director Chuck Denney reported last year the Artesian Brewfest was not held because of COVID. This year, the department received approval in June to move forward with

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the 2022 event because COVID regulations have evolved enabling an outdoor event. The event typically requires a year of planning with planning for next year's event completed in several months by working with Thurston County Health Department to scale the event and incorporate some distancing requirements. A typical event features approximately 55 brewers, distillers, wineries, and cider makers offering 200 beverage options for attendees. This year, the number was reduced to 30 vendors offering 78 beverage options.

Director Denney shared a promotional video of a previous Brewfest. The video is provided to potential event sponsors for next year's event. For the 2022 Brewfest, the goal is to host a near-normal event with increased participation. Additionally, the 2022 Brewfest features live music in partnership with Madrid Productions in Seattle, which is also a partner with the owner of the Craft District to attract live bands. *The Vibe*, a band from Seattle will perform to help promote the event to the Seattle music scene. Ethan Tucker was also featured at a prior event. Mr. Tucker was a finalist on the *Voice* TV show. Next year, the intent is to continue building on the notoriety of music groups to offer music at the 2022 event.

The Tumwater Artesian Brewfest builds on the theme of creating a sense of place in Tumwater by offering something unique and through celebrating crafts in the City by working closely with the Warehouse District and Craft District. The Brewfest also collaborates with South Puget Sound Community College with its brewing and distilling program and close ties to WSU food sciences, craft brewing, distilling, and cider making. Many brewfests feature drinking beer and offering different beers to generate revenue. Tumwater's Brewfest is focused differently by celebrating the brewing craft in Tumwater and requiring each brewery or distiller to attend the Brewfest to sell and serve its product. Owners are available to answer questions about their products. The City markets the event outside of Thurston County to promote Tumwater. The Brewfest has attracted brewers and distillers from Bellingham, Seattle, Aberdeen, Ellensburg, Spokane, and Oregon. The City mails approximately 20,000 coasters to all participating breweries, wineries, distillers, and cider makers. The coasters are featured in their tap rooms promoting Tumwater and the Brewfest. Those businesses feature the Brewfest on their social media pages and invite their clientele from their breweries to come to Tumwater to attend the Brewfest. In 2021, the Brewfest attracted 2,800 attendees. The goal in 2022 is to attract 5,000 to 6,000 attendees.

Mr. Reynolds commented on how he was impressed that the City was able to host the Brewfest last year despite COVID. Many venues tried to host their event and were unsuccessful. Director Denney affirmed

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the event was challenging with vendors withdrawing the day before the event because of the pandemic or the lack of staff. The 2019 event attracted 5,000 participants. The 2022 Brewfest is scheduled on August 20, 2022.

RECESS:

The meeting was recessed from 10:19 a.m. to 10:34 a.m. for a break.

**TUMWATER
DOWNTOWN
ASSOCIATION:**

John Morton, President, Tumwater Downtown Association, presented the proposed application. Tumwater Downtown Association sponsors the Artesian Festival and the Fireworks Show on the 4th of July. The association is looking forward to the festival and fireworks show in 2022. The festival will continue to grow and expand with children's activities and live entertainment. The association enjoys its partnership with the City to sponsor a festival and the largest fireworks show in the South Sound area. The festival and fireworks is held at the Tumwater Valley Golf Course. The Parks and Recreation Department have gone above and beyond to help ensure a successful festival and fireworks show.

Mr. Reynolds asked whether the association has experienced a price increase for fireworks. Mr. Morton affirmed that similar to other commodities, the cost of fireworks has increased. Shipping of the fireworks from overseas is not easy and is always at a premium for the 4th of July. The increase has been approximately 10% to 14%.

Ms. Ro asked about the turnout in 2021 compared to 2019. Mr. Morton said the event in 2021 only featured the fireworks show with no festival because of COVID. The association is looking forward to hosting both events next year. It is likely the event will attract its largest crowd in its history. The fireworks show was viewed from various locations throughout the City. No one was allowed to enter the golf course last year.

Mr. Bills asked how the association is contending with its funding deficit as no revenue was received last year and the funding from the committee did not cover the entire cost of fireworks. He asked about financial projection for 2022. Mr. Morton replied that there is a high expectation that turnout in 2022 will be substantial. Last year was difficult for the association with no revenue other than for LTAC funding. The association is optimistic the financial forecast will improve as more people attend the festival.

Mr. Bills asked about contact with the Thurston County Health Department in terms of pandemic requirements. Mr. Morton said the association will follow any procedures and protocols required next year.

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Chair Swarthout asked whether the association was able to use the LTAC funds last year. Mr. Morton said LTAC funds were used to purchase the fireworks with the remaining balance paid from the association's reserves.

**TUMWATER
HISTORICAL
ASSOCIATION:**

Don Trosper, Tumwater Historical Association, said he is substituting for Dave Shade, the association's Treasurer who was unable to attend because of medical reasons. The pandemic has severely harmed small historical groups and museums because many of the patrons are senior citizens who were hesitant to leave their homes. Restrictions on live events affected the association in terms of limiting income.

Several candidates are considering assuming some leadership positions within the organization, which will help in promoting more interest in hosting more activities. The grant from last year was not used. Knowing funds would likely be available for programming, some of the interested candidates would likely want to join the association and assume leadership positions to help revitalize the Tumwater Historical Association.

Ms. Ro asked whether the association has sponsored any events this year. Mr. Trosper replied that no events were held because of COVID and none have been scheduled until COVID restrictions are lifted. It is likely the association would sponsor several hands-on living history activities. Other events include the quilter groups and history activities, such as a video training series on pioneer skills. Local history talks were also discontinued at the Schmidt House because of the pandemic. He does not foresee the same level of attendance as the talks had attracted approximately 85 individuals prior to the pandemic.

**TUMWATER
MARCHING BAND
FESTIVAL:**

Andrew Landowski, Band Director, Black Hills High School, reported the Tumwater Marching Band Festival directly benefits the band program at Black Hills High School and Tumwater High School. Both high schools collaborate to sponsor the event since 2006 on the second Saturday in October. The festival has not been held for the last two years because of COVID. The organization was established to keep students engaged and busy and provide a team-oriented activity for youths. The next festival is scheduled on October 8, 2022. The event is one of the largest marching band festivals in the state with bands attending from Oregon, Idaho, and all areas of the state representing approximately 18 to 20 bands along with 2,500 family members and friends. The festival was not held in 2020 and 2021 because of the pandemic. The festival advertises local hotels within the festival program and registration packets, and on the festival website. Registration rebates are offered for schools that book hotel rooms for parents, chaperones, and bus drivers. Some schools do not allow students to stay in hotels, as they are required to stay at local

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school gyms. However, many chaperones, bus drivers, and parents stay in local hotels. The festival also advertises local restaurants and attractions.

Mr. Landowski reported the Department of Health guidance for performing arts was very difficult and has loosened somewhat this year. However, in 2020, the festival required separation of youths by nine feet, which was difficult for a marching band and for practicing. In addition, masking was required and bus driver availability was limited with school districts encountering challenges in filling bus driver positions. Last year's national enrollment in band programs for grades 5 through 12 reduced by 22% because of the pandemic. Black Hills High School experienced a reduction of approximately 8%. The festival has been cleared to sponsor the event next year.

Chair Swarthout asked why students were restricted from staying at hotels and if it is a new policy because of COVID. Mr. Landowski explained that different school districts have some liability concerns surrounding the chaperoning of students in hotel rooms. He does not believe the restriction is associated with COVID, but rather it depends on the school district's administration. The Tumwater School District imposes the restriction. Typically, the restriction applies only to middle school students.

Ms. Ro asked about the ranking of the festival in terms of size and participation compared to other marching band festivals in the state. Mr. Landowski reported the 2019 festival was the largest marching band festival in the state with the highest number of bands participating. On average, other festivals host 12 to 14 marching bands. The Tumwater Marching Band Festival attracts 18 to 22 bands. Fortunately, the festival has not turned away bands but limitations have been placed on the number of bands advancing to the finals during the years where more than 22 bands participated because of limited number of time slots during the festival.

**TUMWATER SOCCER
CLUB - KICK IN THE
GRASS SOCCER
TOURNAMENT:**

Levi Clemmens, President, Tumwater Soccer Club, reported the Club hosts the Kick in the Grass Soccer Tournament each year. The tournament is the longest running soccer tournament in the state spanning 42 years. The tournament is a primary fund-raiser for the Tumwater Soccer Club and it assists the organization in fulfilling its mission to provide affordable soccer opportunities to youth in the Tumwater community. The organization is operated by volunteers and is a nonprofit organization. He has served as President for the last nine months but has been with the organization for 10 years. The funds are reinvested into the community for field maintenance and improvements, equipment, and supporting school district and other community soccer fields. The club provides college scholarships to

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students of approximately \$5,000 to \$6,000 each year. In 2021, the Club was able to host the Kick in the Grass Soccer Tournament; however, full access to all facilities was limited with the tournament utilizing available facilities to the fullest extent possible. Many of the schools were not open and many of the fields were not maintained. The 2021 participation rate was half of a normal tournament with 57 teams playing 100 games on 12 local fields to include four fields at Pioneer Park. Based on calculations, the tournament attracted 3,700 participants to Tumwater. A club in Sequim sent 10 teams to participate in the tournament. The tournament also attracts participants who stay at local hotels during the weekend along with their families. Some participant feedback reflected that some families were unable to find local accommodations as all hotels were at capacity during that weekend. In 2022, the Club projects a normal participation rate doubling hotel room nights. The Club also promotes local venues and activities.

Ms. Ro asked whether capacity of the 2021 was half of the typical tournament. Mr. Clemmens affirmed the Club reached capacity and had to turn away some teams as the demand was greater than the Club's ability to accommodate teams. With schools opening, the Club anticipates having full access to all fields. Many of the teams from other states did not attend the 2021 tournament because of the pandemic.

Ms. Ro inquired as to the process parents and families use to book their hotel rooms. Mr. Clemmens said the Club does not coordinate any hotel bookings or collaborate with any booking agent. Local hotels are included on the Club's website. Ms. Ro noted that in previous years, the tournament was linked with a travel agent located in Vancouver, Canada who was extremely difficult to work with as well as charging a 10% to 15% commission to hotels. She expressed appreciation for listing local hotels on the website to enable parents to book directly so the hotels are not paying another party a commission.

Mr. Bills said in previous years, the Club has used LTAC funds for marketing. He asked whether the funds for next year would also be used for marketing. Mr. Clemmens responded that the Club has historically used LTAC funds to offset some of the expenses of the tournament for certified referees and field rentals.

**VISITOR &
CONVENTION BUREAU
OF THURSTON COUNTY
– DBE: EXPERIENCE
OLYMPIA & BEYOND:**

Annette Pitts, Executive Director, Visitor & Convention Bureau (VCB), reported the funding request is based on the organization's compliance of RCWs to receive lodging tax funds and whether the activities of the VCB attract visitors to the region from over 50 miles away who seek lodging accommodations in the area resulting in lodging tax revenue. The work of the VCB does not occur during a

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finite window of time but rather throughout the year by a team of professionals. The budget request is reflective of those efforts over the course of the year. Much of the new work this year was built around assurance that the VCB is able to measure, verify, and track the economic output to provide the City with information on its return on investment.

Outbound work is tailored to spotlight Thurston County including Tumwater to major tourism markets. Because the VCB is funded through lodging tax funds, the organization evaluates how it is linking to individuals who will stay at local lodging properties. The VCB plans to deploy different efforts during the year. They include a digital campaign in Portland, Seattle, and Spokane targeting travelers based on where they are located and cross referencing the information with personal interests, such as food and beverage, arts, or outdoor recreation. Digital campaigning enables messaging to those individuals marketing specific locations based on their interests. The VCB will continue to produce traditional print and online advertising, social media advertising, public relations, and printed media. The VCB is targeting in-market targets in the state as well as out-of-state targets as people are still traveling and developing systems for safely traveling following the latest CDC guidelines and government mandates.

Ms. Pitts said the funding request for 2022 is \$60,000 to fund the overarching tourism marketing campaign of \$50,000 and funds allocated specifically for sports tourism marketing of \$10,000.

All efforts by the VCB are through the lens of economic impact. The VCB is investing in a tracking utility that identifies visitors in Thurston County and Tumwater, their home market by zip code, traveling plans, and type of lodging they use. The program enables the VCB to identify the traveler's itinerary and cater specific to the traveler. The program does not provide personal information; however, the program provides information that can be shared between VCB partners to help make informed decisions.

To accommodate some communities expressing concerns about not being represented through the VCB's new branding, the VCB is launching a series of new community co-brands that will dovetail into the *Experience Olympia and Beyond* brand. The *Experience Tumwater* co-brand will align with all efforts by the VCB. New community digital visitor guides will be produced with the possibility of printing the guides moving forward. A new website will be deployed in spring 2022. A new sub-domain for *Experience Tumwater* would be included with reference to the digital visitor community guide for *Experience Tumwater* connecting to the

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Experience Olympia and Beyond website. The VCB is investing in professional photography and video clips of locations filmed year-round. The clips will be included within a library available to the City. The VCB is producing a series of two-minute videos. Filming recently began with a film crew and photographer filming the first two videos. The first video, *Just Beyond Olympia*, features the communities of Tumwater, Lacey, Tenino, and Yelm with stories of amazing assets available in each community. The second video, *Experience Olympia*, features *Bountiful Byway*, a 60-mile authentic cultural and culinary experience followed by *Biking Beyond*.

The VCB operates a Sports Commission in collaboration with 10 community stakeholders to promote and effectively leverage offerings.

Executive Assistant Miles clarified that the funding request from the VCB is \$75,088.67 based on the VCB's revised application.

**WASHINGTON CENTER
FOR THE PERFORMING
ARTS:**

Jill Barnes, Executive Director, Washington Center for the Performing Arts, presented the funding proposal. The Washington Center was closed for 404 days with no live audience because of the pandemic. However, during that time, the Washington Center collaborated with several artists to provide live stream events from live stream platforms and Washington Center's platform. The Washington Center filmed a backstage virtual tour for K-12 students and released the video to all school districts in the region, as well as completing the center's lighting upgrade, which will benefit all touring artists and local arts organizations. The Center continues to work diligently to provide a safe place for local artists for performing and recording, live streaming, or special events. As a result, the Center created many policies and strategies to welcome audiences to the Center for live entertainment. The Washington Center lost a substantial number of administrative staff and recently hired two new administrative positions. The Center is training new box office personnel and front office staff. The last 18 months have focused on retooling policies to complement state guidelines and to serve the community. In addition to a fully vaccinated volunteer and employee workforce, the Washington Center is following industry best practices that are requiring a proof of vaccination or a negative COVID test for all ticket buyers. The timing was appropriate, as the requirement is now standard for all touring artists.

The Washington Center is kicking off its 21-22 season with tickets for sale. Although ticket sales have been slow, there is optimism individuals are interested in attending live events. The Washington Center's Wilco Show has sold out on October 9, 2021. Wilco has won multiple Grammy Awards. The Center has several out-of-county

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and out-of-state attendees on the Center's waitlist. However, with COVID variants on the rise and schools back in session, uncertainties still exist. Consumer confidence can be challenging especially when sitting indoors next to a stranger watching a performance. It will take some time with the potential of several years to rebuild. The Washington Center anticipates this season to be another difficult year followed by a transition year. Hopefully, it will be possible to rebuild to a pre-pandemic situation with consistent ticket buyers and revenue growth.

The marketing department welcomed a new Marketing Director with nonprofit and commercial arts marketing experience. The director is eager to connect with citizens and businesses in Tumwater as the Washington Center rebuilds the live event and tourism industry. The goal is to rebuild marketing strategies in alignment with current realities. The Washington Center is investing more funds and strategies in digital marketing as it feeds into the manner as to how people receive information. With public indoor gathering hesitancy, the Washington Center anticipates more last minute ticket buyers, which proved true during a recent show when the Center experienced a 20% walk-up for the event, which is unusual. The Washington Center is improving tracking on print marketing on efficacy to help inform budget allocations for the future. Direct mail will continue with seasonal announcements and offers sent to a broader list of individuals. It is also a good time for some experimental marketing by providing special offers to new markets and new audiences. The Center's email newsletters continue to be popular with the Center expanding its list of contacts. The Center also offers many marketing services to renters of the facility. The website offers updated information.

Ms. Barnes shared information on the difficulty of marketing and the increased resources necessary to attract smaller audiences for shows. Center staff continues to work harder for less return as the Washington Center rebuilds its audience base. The funds represent a strong investment in tourism and for the shared future in local communities. The Washington Center needs support as much as the community needs performance opportunities on stage and live entertainment.

Ms. Ro asked about the number of performances planned during the upcoming season compared to pre-COVID. Ms. Barnes advised that prior to the pandemic, Washington Center offered approximately 42 to 47 shows with approximately 32 shows planned this year, representing more than half prior to COVID. The goal is to continue adding events next spring. Most of the rental events with artistic partners have continued except for some specific events that were more difficult to

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host during the pandemic (choirs and rehearsals). Staff is working actively with all artistic partners to deliver live events.

**WASHINGTON STATE
SENIOR GAMES:**

Jack Kiley, President, Washington State Senior Games, shared a short video produced several years ago by ABC in Seattle and broadcasted as one of the *Eric Hero* segments on Channel 4. The video features several senior games competitive events.

Mr. Kiley reported Washington State Senior Games is a nonprofit volunteer organization providing athletic competition for men and women 50 years of age or older. This year was very challenging because of the pandemic. A recent survey of other state senior games reflected cancellation of many games in many states with other moving senior games to the end of the year. From January through May 2021, the Board waived as to whether to conduct the senior games this year. One member resigned from the Board because of his belief that the games should not be held this year. Ultimately, the Board considered all COVID CDC guidelines with many participants sending emails about the need to require vaccinations while other participants indicated if vaccinations were mandated, they would not participate. The Board moved forward and hosted the senior games in July 2021 with 1,400 participants registering with 60% of the participants traveling 50 miles or more and 20% attending from other states to participate in the games. Some events were cancelled, as the venues were not available. Track and field events attracted 200 participants and soccer generated 26 teams with many participants coming from New Mexico, Sacramento, Oregon, and Texas. The economic impact from the games as calculated by *Experience Olympia and Beyond* several years ago was estimated to be \$1.4 million. The games attract participants who stay in local hotels and eat in local restaurants. Most of the events are sponsored at Tumwater venues. Revenue received for Tumwater events is recycled to the Tumwater School District for payment of facilities for the events

This year, the organization reduced its budget. Normally, shirts are offered to participants. This year, shirts were not offered as well as cancellation of the opening ceremony, and a reduction in the budget for media marketing to remain fiscally solvent. The uncertainty with the pandemic created many changes while peaking more interest from participants and the audience than in previous years. The mission of senior games is to improve health and quality of life of seniors, promotion of camaraderie between senior men and women, as well as an incentive for remaining active.

Ms. Ro congratulated Mr. Kiley for hosting the event despite COVID and attracting such a large turnout. She noted that none of the participants stayed in her hotel during the games. She asked whether

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Mr. Kiley received any comments about hotels in terms of safety during the pandemic. Mr. Kiley said there were some misgivings by some of the participants; however, most of the participants traveled from other areas. Some of the basketball participants indicated there appeared to be no changes in Tumwater; however, Thurston County experienced a surge in the virus in July. He received positive feedback from participants with respect to how motels and hotels responded.

**2022 TAX HISTORIC
AND CULTURAL
FUNDING FOR 2022:**

Director Denney reported the City has historically divided lodging tax funds into categories designated as the “first 2%” and the “second 2%.” The first 2% has been used for the City’s historical and cultural programming through a contract between the City and the Olympia Tumwater Foundation, as well as maintenance of the City’s historic homes (Crosby House & Brewmaster House), Union Cemetery, and the historic brew tower.

The COVID pandemic affected a number of historic and cultural programs and events. Because of COVID regulations, the City was not able to host normal programs in the Schmidt House or the Brewmaster’s House. The Olympia Tumwater Foundation also did not host monthly history talks in the Schmidt House. River walk tours were limited in the number of participants. Both the City and the Foundation adapted and offered new options while maintaining the houses and the historic cemetery.

For 2022, the proposal is to maintain the same budget as in 2021 totaling \$60,000 for the historic buildings (Brewmaster’s, Crosby, and the historic cemetery), \$60,000 for historic programs (primarily offered by Olympia Tumwater Foundation in partnership with the City), and \$30,000 to the historic old brewhouse.

In 2021, the budget was \$150,000 from LTAC funds, which was expended. In 2022, because of COVID, staff expects less funding than in 2021. The City is committed to utilizing the 2% available for historical and cultural activities and funding any remaining amount through the City’s general fund.

The overall attendance to events and programs in 2020 totaled 33,620 participants reflecting a significant reduction from normal years. The Brewery Park at Tumwater Falls was closed most of the 2020 because of COVID and because of some construction projects. The park partially opened this year and the Foundation predicts the park will host 25,000 visitors by the end of 2021. The Brewery Park at Tumwater Falls is a private facility and is the most visited attraction of all parks in the region. City staff plans to continue to work with the Foundation to support funding the

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Foundation receives from LTAC and from the City. Both entities are working closely on the City's archives of all historical assets. The City has a large photo archive documenting the history of Tumwater from the mid-1800s to today. Staff is working with the Foundation on a new archival management system that will also afford availability of photos to the public. Other efforts include management of the Arts Walk and History Talks as Parks and Recreation programs with staff organizing and managing registration of the events and the Foundation hosting the programs.

Manager Cook updated the committee on the status of the old brewhouse. Last year, the City closed out the masonry repair and brick restoration program, which had been delayed because of COVID and visits from personnel from the Department of Archeology and Historic Preservation. It also enabled some time for the City to offer tours of the site to state elected officials. The closeout of the project enabled the City to receive grant funds of \$500,000 for the project. The current project is the second phase for seismic retrofit of the structure. Public access is not possible until seismic improvements are completed. Efforts will begin to consider different types of programming in the building. Security has also been enhanced for the site.

Director Denney reported the funding proposal for 2022 is \$150,000 for the three programming needs as described. He asked for the committee's approval of the funding allocation for 2022.

MOTION:

Brian Reynolds moved, seconded by Chami Ro, to recommend the City Council approve \$150,000 of 2022 Lodging Tax funds for the Historic and Cultural facilities and programs. A voice vote approved the motion unanimously.

**2022 LODGING TAX
UPDATE:**

Executive Assistant Miles reported during 2020 and 2021, most applicants struggled to host events in an environment with COVID guidelines continually changing. As a result, approximately \$82,000 was utilized with the remaining funds paid only after the event was held. For those events that cancelled or did not move forward, the funds remained with the City. For 2022, the City recommends a funding level of \$160,000 for tourism and marketing; however, if events did not occur in 2020 or do not occur in 2021, an additional one-time funding amount of \$50,000 is available. As in the past, the committee has been able to allocate more funds due to additional lodging tax funds. City Administrator Doan recommends allocating the \$50,000 separately similar to prior practices. However, as the City received no applications for new events, the funds would not be restricted. The committee has indicated a preference to consolidate the funds to support tourism,

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marketing, and events rather than separating the funds.

Ms. Ro asked whether the funding account for new events would continue each year or whether the option was a trial for first several years. Executive Assistant Miles reported when the committee first designated a fund for new events former Councilmember Nicole Hill was the Chair. At that time, the committee agreed the definition of a new event would be a new event and not an additional event added to an existing event. Additionally, as the goal was to attract more tourism to Tumwater, the event was required to be held within the City limits to be considered a new event. The committee earmarked the fund for three years and because no new event applications were submitted, the committee agreed to allocate some of the funds to existing events or festivals. She noted that since the level of funding is projected, the amount of funds projected for 2022 is \$160,000 plus \$50,000. The City does not recommend allocating the full amount of \$50,000 this year and recommends retaining a portion for next year. She added that this year, two new applicants have applied but the events are not located in Tumwater. Based on the committee's prior definition of a new event, neither of the applicants would qualify as a new event. The Craft District application could be considered a new event. Those issues speak to why it can be confusing to designate several categories of funds.

Mr. Reynolds noted that he addressed the issue because having different funding accounts often creates some confusion. He added that it is not necessary to allocate all funds as any unallocated funds would roll over. However in the next several years, there likely would be more events and more funding needs. He proposed designating \$185,000 for the total funding amount for the 2022 program increasing the amount by \$25,000 from the remaining \$50,000. He proposes not designating different types of events but allocating all funds whether new or existing events. The remaining amount of \$25,000 would roll to 2023.

Ms. Ro supported the funding proposal.

Mr. Bills commented that when the new event program was established it was intended to serve as an incentive to attract more events to Tumwater. However, given the current environment, he agreed that moving forward more events would increase with funding needs. He supports allocating half of the \$50,000 to increase the 2022 funding level to \$185,000.

Satpal Sohal supported the proposal.

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Ms. Ro asked whether any meeting space is available within the City large enough to host the New Gateway Rotary Club of Thurston County event and the new TOMORROW event. Chair Swarthout advised that the events are not planned for hosting in Tumwater. She encouraged the committee to consider applications for events hosted in Tumwater.

Mr. Reynolds referred to applicants receiving LTAC funds from Olympia and Lacey as well as from Tumwater. There has been and continues to be a concerted effort by all jurisdictions to help fund events held in all three jurisdictions.

Chair Swarthout asked whether the Olympic Flight Museum receives LTAC from Olympia. Mr. Reynolds affirmed the City of Olympia and the City of Lacey both contribute funding for the air show it is considered a regional event providing benefits to all jurisdictions.

Chair Swarthout added that she has a concern that new TOMORROW event in Olympia is sponsored by a for-profit organization. The committee typically funds non-profit events.

Mr. Reynolds pointed out that for-profit events can receive LTAC funding. The City has funded for-profit events in the past.

The committee discussed different LTAC funding levels available to each of the jurisdictions.

Mr. Reynolds commented that some of the new events are not sufficiently planned to the point where he believes taxpayer funds should be allocated as his concern surrounds funding new events that lack any historical success versus long-term events that have proven successful over the years. His concern is allocating funds for advertising and the event fails to be executed.

Executive Assistant Miles reminded the committee of the option of offering a zero funding recommendation for any event. She asked for input on whether the remaining \$25,000 would roll over to 2023 events or considered by the committee later in the year if a new event is proposed in the City.

The committee supported rolling the remaining \$25,000 forward for the 2023 funding cycle.

RECESS:

Chair Swarthout recessed the meeting at 12:16 p.m. for a recess until 3:00 p.m.

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RECONVENE:

Chair Swarthout reconvened the meeting at 3:00 p.m.

**2022 LODGING TAX
FUNDING**

RECOMMENDATIONS:

Chair Swarthout reported \$185,000 would be available in lodging tax for distribution in 2022. She invited the committee's review and recommendations for 2022 LTAC funding allocations.

Chair Swarthout and Mr. Reynolds did not offer a funding recommendation for their respective organization's funding request(s).

Assistant Finance Director Carter tracked funding recommendations by each member for the following applicants:

1. Capital Lakefair – requested \$6,000
2. Craft District Opening Celebration (New Event) – requested \$6,000
3. Gateway Rotary Club of Thurston County New Event – requested \$5,000
4. Olympic Flight Museum – requested \$39,000
5. TOMORROW New Event – requested \$25,000
6. Tumwater Artesian Brewfest – requested \$18,000
7. Tumwater Craft Marketing City of Tumwater – requested \$20,000
8. Tumwater Downtown Association – requested \$30,000
9. Tumwater Historical Association – requested \$5,000
10. Tumwater Marching Band Festival – requested \$5,000
11. Tumwater Soccer Club – requested \$14,000
12. Visitor & Convention Bureau of Thurston County – requested \$75,088.67
13. Washington Center for the Performing Arts – requested \$15,000
14. Washington State Senior Games – requested \$15,000

The committee discussed, adjusted, and recommended a final funding amount for each organization.

MOTION:

Brian Reynolds moved, seconded by Chami Ro, to recommend the City Council allocate \$180,600.00 in LTAC funds to the following organizations in the amounts as noted:

1. **Capital Lakefair – Award Recommendation \$3,600**
2. **Craft District Opening Celebration (New Event) – Award Recommendation \$5,000**
3. **Gateway Rotary Club of Thurston County New Event – Award Recommendation \$2,000**
4. **Olympic Flight Museum – Award Recommendation**

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- \$36,000**
- 5. TOMORROW New Event – Award Recommendation \$2,400**
 - 6. Tumwater Artesian Brewfest – Award Recommendation \$13,500**
 - 7. Tumwater Craft Marketing City of Tumwater – Award Recommendation \$15,000**
 - 8. Tumwater Downtown Association – Award Recommendation \$20,000**
 - 9. Tumwater Historical Association – Award Recommendation \$3,800**
 - 10. Tumwater Marching Band Festival – Award Recommendation \$5,000**
 - 11. Tumwater Soccer Club – Award Recommendation \$11,100**
 - 12. Visitor & Convention Bureau of Thurston County – Award Recommendation \$38,400**
 - 13. Washington Center for the Performing Arts – Award Recommendation \$11,000**
 - 14. Washington State Senior Games – Award Recommendation \$13,800**

MOTION:

A voice vote approved the motion unanimously.

Executive Assistant Miles reported the Council is scheduled to consider the committee's recommendation on October 19, 2021.

ADJOURNMENT:

With there being no further business, Chair Swarthout adjourned the meeting at 3:31 p.m.

Prepared by Valerie Gow, Recording Secretary/President
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