

**AGENDA**  
**GIG HARBOR LODGING TAX ADVISORY COMMITTEE MEETING**  
**Thursday - June 9, 2022**  
**12:00 p.m.**

Virtual Meeting Link: <https://zoom.us/j/93352757315>  
Call-in: (253) 215-8782 Meeting ID: 933 5275 7315

- I. CALL TO ORDER / ROLL CALL**
- II. APPROVAL OF MINUTES:** Minutes of May 12, 2022
- III. PUBLIC COMMENT**
- IV. STAFF REPORTS**
  - A. Tourism & Communications Department Update – Tourism & Communications Director Laura Pettitt**
    - Lodging Tax Pace Chart
    - Summer Sounds 10-week schedule
    - Movies in the Park / PenMet Partnership
  - B. Lodging Tax Advisory Committee Updates – City Clerk Josh Stecker**
    - Review of LTAC Scope and Function
    - Review of Council Guidelines & Procedures for Advisory Boards
    - Review of 2023 Lodging Tax Grant Application Process
- V. BUSINESS ITEMS**
  - A. Setting Quarterly Meeting Date and Time for Regular Meetings**
- VI. COMMITTEE MEMBER REPORTS & COMMENTS**
- VII. ADJOURN**



## LODGING TAX ADVISORY COMMITTEE

### MAY 2022 LTAC MEETING MINUTES

**Call to Order at 12:07:** Temporary Chair Laura Pettitt

#### **Roll Call**

**Committee Members Present:** Mary Desmarais; Stephanie Lile; Sue Braaten; James Karrer; Jenny Wellman; Jannae Milton; Lindsey Stover

**City Staff Present:** Laura Pettitt, Tourism and Communications Director; Jennicca Taylor, Tourism and Communications Assistant; Josh Stecker, City Clerk; Tiffany Aliment, Assistant City Clerk.

- **Approved March 2022 minutes,**
  - Jannae Mitton motions to approve, James Karrer/Sue Braaten seconded
- **Review Pace Chart, 129.5% ahead of pace for February**
  - Great Paddler's Cup in April, we are able to track how many people came and from where
  - Clarification on dates of lodging tax received from DOR vs. month gathered
- **Gig Harbor Trolley 2022 Schedule**
  - Service will occur June 12- Sept 14
  - Driver shortage will impact service; Route 101 will merge into Route 100, frequency may change
  - Council Study Session set for June 30 on long-term outlook
  - Idea pitched for water taxi, T&C explored - works for events, not feasible for general daily transport
- **Open LTAC Collector position**
  - Extend until September when STR permit moratorium lifted; Sue Braaten remarked that lacking a collector for that long was an issue, Laura Pettitt encouraged those who may know eligible candidates to apply, look to RV operator for GH Resort; other
- **Update on Visitors Guide**
  - Content in graphic design; ad sales minimum reached; new photography sourced from several local photographers
  - Mail to 5200 residences in the Gig Harbor city limit; 25,000 total copies now, more on order pending
  - Ad Sales / Event sponsorships underwrite larger Summer Sounds acts
- **Livestream Webcam update:**
  - city is researching wifi solutions at Jerisich Park to address this issue and payment POS connectivity issues for to get the camera back up and running
- **Firework policy changes**
  - Limit from 5 days to 1 (9a – 11:59p, July 4) - Communications to be sent out starting June 1
  - Signage throughout city
- **Collateral Design**
  - Summer Sounds roll-up banners; rack cards; 11x17 posters available
  - Golf; Fine Dining; Harbor Sips Tour; Historic Netsheds (Lita Dawn on content); Outdoor Pursuits (trails, parks hiking); On the Water; Cultural Highlights (walking tours, HHM, Boat Shop, Meetings & Events; Accommodations; Event Calendar; Top 10 Things to Do)

- Summer photography needed – updates to accommodations photos? Can arrange shoot dates – members to reach out with interest + tourism to schedule
- **Media Recap:** TBEX FAM tour; Best Life Most Picture-Perfect Spot Pitch; Top 16 Most Friendly Towns in America
- **Upcoming Media;** IFTWA FAM tour, Freelance outreach to PNW drive-market journalists for activity-based Spring and Summer stays; Nat Geo visit; Freelance outreach
- **Events**
  - Summer Sounds call for vendors out
  - Movies in the Park at Sehmel
  - Classic Boat Festival and GH Beer Festival this weekend
  - June: DWA Farmers Markets start June 2, Maritime Gig Fest June 4, Garden Tour June 24
  - Continued work on Holiday destination – chestnut roasting, outdoor vendors on weekends, ice rink
- **LTAC Grants:** specifics were brought forward on whether Celtic fest fulfilled obligations for the grant as applied.
  - LTAC grant reporting to state auditor – specifically measures a drive in lodging from visitors coming from over 50 miles away.
  - Success of event measurement is tied to the impact on hotels and the collection of lodging tax

**Adjourn at 1:08p: Jannae Mitton motions, Sue Braaten and Mary Desmarais second**

*Next Regular Meeting: June 9, 2022*



## MEMORANDUM

**DATE:** June 3, 2022  
**TO:** Lodging Tax Advisory Committee (LTAC)  
**FROM:** Josh Stecker, City Clerk  
**SUBJECT:** Lodging Tax Advisory Committee Updates

At our June 9 LTAC meeting we'll be reviewing the role of the committee, as defined by state law and the Gig Harbor Municipal Code.

Many of you were in attendance last August when we had a similar discussion with Eric Lowell from MRSC. The recording of that meeting is available online here: [https://www.youtube.com/watch?v=NRo\\_aBYNvDc](https://www.youtube.com/watch?v=NRo_aBYNvDc). We'll be touching some of the key points from that discussion in our meeting this month as we prepare for the 2023 lodging tax grant cycle.

There are a number of resources online that provide in-depth detail on LTACs and the lodging tax grant process. Many of these you are likely already familiar with:

- RCW [67.28.1816](#) defines the acceptable uses of lodging tax funds and defines the process for accepting grant applications.
- RCW [67.28.1817](#) defines the structure of LTACs.
- RCW [67.28.080](#) provides the legal definitions for the terms used in the lodging tax process.
- [GHMC 2.53](#) provides the structure and scope for the City's LTAC. This is largely redundant to RCW 67.28.1817.
- MRSC provides a good overview of [how Lodging Tax works](#).
- [2016 Attorney General Opinion](#) acknowledging that City Councils may change the amount of lodging tax awards after recommendation by LTAC.
- Ask MRSC: [Is there a conflict with Lodging Tax Advisory Committee \(LTAC\) members voting to support their organization's application?](#) (Short answer, no there is not.)

In addition, we will be reviewing the newly-adopted Article 5 of [Council's Guidelines & Procedures](#). This section provides uniform guidelines for all of the City's Advisory Boards. Most of these guidelines will be familiar to you from the Open Public Meetings Act training that you've had and they should be consistent with the past practices of LTAC.

One of the provisions of these guidelines is that each committee will be assigned a designated staff "liaison." For LTAC, that liaison has traditionally been the Tourism & Communications Director. Going forward, the City Clerk will be serving in that role. I will be your primary contact for all things lodging tax-related. This will include scheduling meetings, preparing agendas, and administering the grant application and award process. I will be preparing the LTAC recommendations for Council approval by resolution and I will be responsible for coordinating any communication between LTAC and Council.

Laura Pettitt will still be attending LTAC meetings in her role as the Tourism & Communications Director and she will continue regularly reporting on the activities of her department. She will continue to be your point of contact for marketing, events and general tourism activity in the City and she will continue to solicit your input and partnership on the City's tourism-related efforts.



## CITY OF GIG HARBOR 2023 LODGING TAX FUNDING APPLICATION

Lodging Tax Funds Requested: \$ \_\_\_\_\_

### **APPLICATION DEADLINE: WEDNESDAY, AUGUST 31, 2022**

For application assistance please contact City Clerk Josh Stecker at (253) 853-8713 or [cityclerk@gigharborwa.gov](mailto:cityclerk@gigharborwa.gov) prior to Friday, August 26.

Organization/Agency Name: \_\_\_\_\_

Event Name (if applicable): \_\_\_\_\_

Contact Name and Title: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Phone: \_\_\_\_\_ Email Address: \_\_\_\_\_

Check all service categories that apply to this application:

- 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
- Operations of tourism-related facilities owned or operated by nonprofit organizations

Complete Application packet **must** include the following:

- Completed Application
- Copy of Non-Profit Registration (required for all applicants other than municipalities)
- IRS Form W-9
- Itemized budget (event budget or tourism-related facility operation budget)

# Application Questions

## 1. Describe your tourism-related event/facility.

- If an event, list the name and date(s) of the event
- If a capital expenditure, list the projected impact to tourism to the greater Gig Harbor area, both short- and long-term.
- Describe why tourists will travel to Gig Harbor to attend your activity/facility.

## 2. As a direct result of your proposed tourism-related service or facility, provide an estimate of:

Overall attendance at your proposed event:	
Number of attendees staying overnight in paid accommodations:	
Number of attendees travelling more than 50 miles one-way for the event:	
Number of attendees from another state/country:	

## 3. What methodology did you use to calculate the estimates?

## 4. Have you requested LTAC funds previously?

- For a different event? Yes  or No*   
*If "Yes", was it approved by LTAC? Yes  or No*
- For the same event? Yes  or No*   
*If "Yes", was it approved by LTAC? Yes  or No*

**5. Describe the prior success of your event/facility in attracting tourists.**

**6. Is there a host hotel/lodging for your event (Yes  or No )? If yes, list the host hotel/lodging.**

**7. Describe your target tourist audience (location, demographics, etc.)**

**8. Describe how you will promote your event/activity/facility to attract tourists.**

**9. Are you applying for Lodging Tax funds from another community (Yes  or No )? If yes, list the other jurisdiction(s) and amount(s) requested.**

**10. Are you applying for, or have you received, grants or funds pledged from other sources for the event (including for-profit businesses, national sources, etc)? Please list grants applied for or received.**

**11. What is the overall budget for your event? What percent of the budget are you requesting from the City of Gig Harbor Lodging Tax Fund (attach event budget)?**



**12. What will you cut from your proposal or do differently if full funding for your request is not available or recommended? How is Lodging Tax funding essential to the success of your proposal?**

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**CERTIFICATION**

I am an authorized agent of the organization/agency applying for funding. I have read the application instructions and understand that:

- I am proposing a tourism-related service for 2023 and can provide evidence and reporting to support a rise in tourism for the greater Gig Harbor area. If awarded, my organization intends to enter into a Professional 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 to use City property, if applicable.
- My organization will only use lodging tax funds, if awarded, for the purposes stated on this application and as outlined in the signed contract with the City.
- The City of Gig Harbor will only reimburse those costs actually incurred by my organization/agency and only after the service is rendered, paid for if provided by a third party, and a signed Request for Reimbursement form (or other form acceptable to the City) has been submitted to the City.
- My agency will be required to submit a report documenting economic impact results in a format determined by the City.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## Application Instructions

**Application Deadline:** To be eligible for consideration, your complete proposal must be received by August 31, 2022. The Committee will review proposals in a public meeting and determine funding recipients and levels of funding.

Applications may be submitted digitally to [cityclerk@gigharborwa.gov](mailto:cityclerk@gigharborwa.gov) or mailed to:

City Clerk  
City of Gig Harbor  
3510 Grandview St.  
Gig Harbor, WA 98335

Please direct questions to the City Clerk at 253-853-7613 or [cityclerk@gigharborwa.gov](mailto:cityclerk@gigharborwa.gov).

Applications filed with the City are public records. The City may choose to post on its website copies of the applications and proposed budgets.

### ***What is the Lodging Excise Tax Fund?***

Funding for this program comes from the City of Gig Harbor Lodging Tax Fund which receives a percentage of hotel/motel taxes from lodging establishments inside the city limits. The City collects a tax on charges for overnight lodging. These funds are distributed by the Department of Revenue back to the City of Gig Harbor for the funding of tourism related capital facilities, non- event operations, and event marketing and operations.

### ***What can be funded with Lodging Tax Revenue?***

Lodging taxes can be used for:

- Tourism Promotion/Marketing
- Operation of a Tourism Promotion Agency
- Operation of a Tourism-Related Facility owned or operated or non-profit organization
- Operation and/or Capital Costs of a Tourism-Related Facility owned by a municipality

### ***State Law Defining the Use of Lodging Tax***

Revised Code of Washington (RCW), Chapter 67.28 'Public Stadium, Convention, Arts and Tourism Facilities' provides detailed information about the use, award and reporting of tourism funds.

### **Important Terms Relating to RCW 67.28**

Tourism: Economic activity resulting from tourists, which may include sales of overnight lodging, meals, tours, gifts, or souvenirs

Tourism promotion: 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.

Tourism-related facility: Real or tangible personal property with a usable life of three or more years, or constructed with volunteer labor, and used to support tourism, performing arts, or to accommodate tourist activities

### ***Who May Apply?***

Lodging Tax funding is open to non-profit organizations and municipalities with the demonstrated ability to achieve tourism related goals as outlined below:

- Increase hotel/lodging occupancy in the City of Gig Harbor by creating overnight stays.
- Increase the number of visitors to the City from more than 50 miles away.

All applications must include estimates of how funding the activity will result in increases to people staying overnight, travelling 50 miles away or more, or coming from another state or country. To ensure this data is collected, the City is required to have applicants provide additional information in the lodging tax application.

### **Selection and Award Process**

Funding of the program and specific awards are dependent on recommendations of the City's Lodging Tax Advisory Committee (LTAC). The LTAC will receive all applications and recommend a list of candidates and funding levels that will be forwarded to the Gig Harbor City Council for final determination. Funds will be awarded on a competitive basis.

### **The City of Gig Harbor Lodging Tax Advisory Committee Considerations**

In developing its recommendations, the committee may consider:

- The estimated amount of Lodging Tax Fund available for the coming year as provided by the City's Finance Office.
- Thoroughness and completeness of the proposal.
- Percent of the proposal request to the event/facility promotions budget and overall revenues.
- Percent of increase over prior year City of Gig Harbor Lodging Tax funded proposals, if any.
- Projected economic impact within the City of Gig Harbor, in particular projected overnight stays in Gig Harbor lodging establishments.
- The applicant's financial stability.
- The applicant's history of tourism promotion success.

- Committee member general knowledge of the community and tourism-related activities.

### **Reporting**

Reporting requirements enacted by the Washington State legislature in 2013 requires the City to report to the State regarding the use of funds for the year. All recipients of lodging tax revenue, regardless of what the revenue is to be used for, must submit a post-event activity report to the City describing the actual number of travelers generated. The City will, as part of the contract with the recipients, require that the report be provided immediately after the event or activity. The City will file an annual report to the State of Washington Joint Legislative Audit and Review Committee (JLARC).

The post-event activity report must include the following:

- Total amount spent on the facility/operation/product.
- The number of participants who attended the activity/facility in each of the following categories:
  - Staying overnight in paid accommodations away from their place of residence or business;
  - Staying overnight in unpaid accommodations (e.g. with friends and family) and traveling fifty miles/two hours away or more one way from their place of residence or business;
  - Staying for the day only and traveling more than fifty miles/two hours away or more one way from their place of residence or business;
  - Attending but not included in one of the three categories above.
- The estimated number of participants in any of the above categories that attended from out-of-state (includes other countries).
- A description of methods used to determine attendance and distinguish among the visitor categories at the event/activity.

Any recipient awarded funding must complete the reporting requirements.