



CITY OF PORT ORCHARD
City Clerk

216 Prospect Street, Port Orchard, WA 98366
Voice: (360) 876-4407 • Fax: (360) 895-9029
pkirkpatrick@cityofportorchard.us
www.cityofportorchard.us

TO: City Council
FROM: Port Orchard Lodging Tax Advisory Committee (LTAC)
RE: **Recommendation of 2012 Lodging Tax Allocation**
DATE: August 31, 2011

Committee Members: Councilmember Chang; Kathleen Wilson, Port Orchard Bay Street Association (POBSA); Chan Park, Comfort Inn; Diane Robinson, Kitsap Visitors Convention Bureau (KVCB); Dick Berg, Vista Motel; and Amy Igloi, POBSA. Absent: Heather Cole, Hidden Treasures B&B. Staff present: City Clerk Patti Kirkpatrick and Deputy City Clerk Brandy Rinearson.

The City of Port Orchard Lodging Tax Advisory Board met on August 31, 2011, at City Hall, at 3:00 p.m. The projected the lodging tax revenue for the 2012 budget year is \$71,000.

Based upon the City Treasurer’s projected 2012 budget Revenue of \$71,000, the Lodging Tax Advisory Committee makes the following funding recommendations:

<u>2012 Lodging Tax</u>	<u>Request</u>	<u>Recommendation</u>	<u>%</u>
Audubon’s Great WA Birding Trail	\$ 5,000	\$ 0	0%
Cedar Cove Days	\$17,500	\$ 8,400	13%
City Economic Development/Tourism Committee	\$25,500	\$ 13,400	20%
Fathoms O’Fun Festivals	\$10,500	\$ 6,600	10%
Fathoms O’Fun – Concerts by the Bay	\$ 7,500	\$ 3,750	6%
Kitsap Visitor Convention Bureau	\$18,000	\$ 17,500	26%
Port of Bremerton-Boater Bags	\$ 1,500	\$ 600	1%
Port of Bremerton – Kitsap Harbor Festival	\$ 3,600	\$ 1,800	3%
Port Orchard Bay Street Association	\$14,100	\$ 6,333	10%
Port Orchard Chamber of Commerce	\$18,956	\$ 6,125	9%
Sidney Museum and Arts Association	\$10,275	\$ 2,012	3%
Totals:	\$132,431	\$ 66,600	100%

Committee members discussed the purpose of Lodging Tax Revenue funding, changes to the requirements for eligibility to receive funding, and allowable uses of the monies. Lodging tax revenues are to be used for “tourism promotion” that will attract “out of town visitors” or “tourism-related facility acquisition and operation” (RCW 67.28.1815).

The following are summaries of the Committee's review and recommendations for the 2012 funding allocations:

Audubon's Great WA Birding Trail: The Audubon is seeking funding to offset costs for the brochures and advertising, promoting the ribbon cutting ceremony, and to help with the revealing of the final series at the State Capitol. It was noted that the brochures are already printed and include the birding areas of Port Orchard. The organization will be using social media extensively to promote their maps and trails. The requested funding amount is \$5,000. The Committee came to a consensus that the funding requested would not bring heads to beds, rather the funds would be used to offset costs of ceremonial events and traveling expenses.

❖ Recommended allocation: \$0 (0%)

Cedar Cove Days: Cedar Cove Association requested funding in 2009 to promote a four-day arts and literary festival in August 2009. Cedar Cove Association is looking to hold another four-day art and literary festival in August 2013 and their funding request is \$17,500. The Committee came to a consensus that although the event planning takes time; they felt the event planning would not bring heads in beds in 2012. The Committee support the request to update CCA's website and suggested CCA consider holding the event during the shoulder season when the hotels are not generally full.

❖ Recommended allocation: \$8,400 (13%)

City Economic Development/Tourism Committee:

The City's Economic Development/Tourism Committee submitted a request to promote easy access to local businesses that cater to family-related recreation and tourism. The requested funding amount is \$25,500, which included funding Sunday foot ferry services, signage, and other projects to be determined by the City's Committee. The LTAC Committee agreed that the City should be the leader in supporting the community with directional signage, downtown maps, and guidance to promote more sponsorships of local events. The Committee agreed that future Festival of Chimes and Lights should have a goal to be locally sponsored; and for the Economic Development Committee to collaborate with the KPVCB on regional media avenues.

❖ Recommended allocation: \$13,400 (20%)*

**The amount of \$4,000 to be dedicated to directional signage improvements.*

Fathoms O'Fun Festival:

Fathoms O'Fun Festival requested funding for 2012 to promote family recreational activities that attract and benefit local and regional residents as well as visitors from throughout the state, the country and internationally. Fathoms O'Fun Festival's funding request is for \$10,500. The Committee agreed that the Fathoms organization is a tremendous asset in spreading the word of the local Port Orchard Community events and recommends they continue to focus on sponsorships and fundraising efforts.

- ❖ Recommended allocation: \$6,600 (10%)

Fathoms O’Fun – Concerts by the Bay Committee:

Fathoms O’Fun Festival – Concerts by the Bay requested funding for 2012 to promote free family concerts that attract and benefit local and regional residents as well as visitors from throughout the state, the country and internationally. Concert by the Bay’s funding request is for \$7,500. The Committee agreed that while the event doesn’t necessarily put head in beds, they are considered a major local event.

- ❖ Recommended allocation: \$3,750 (6%)

Kitsap Peninsula Visitor & Convention Bureau (KPVCB):

The KPVCB requested funding for effectively marketing Port Orchard and the South Kitsap area as a premier Puget Sound tourist destination. The requested funding amount is \$18,000. The Committee recommended the KPVCB be the lead agency in promoting tourism and eliminating duplicate marketing efforts, and to work with non-profit organizations such as the Chamber in these efforts. Committee member Diane Robinson recused herself during this discussion.

- ❖ Recommended allocation: \$17,500 (26%)*

**the total amount to be proportionate to the other Cities’ allocations.*

Port of Bremerton-Boater Bags:

The Port of Bremerton submitted a request for \$1,500 for advertising promotion for “Welcome to Port Orchard” canvas totes, which are filled with local merchant coupons and discounts and given to visiting boaters. The Committee agreed that this event primarily supports the boaters and not the overall City, does not put heads in beds, and should be commercially supported

- ❖ Recommended allocation: \$600 (1%)

Port of Bremerton/Kitsap Harbor Festival:

The Port of Bremerton submitted a request for \$3,600 for advertising promotion for an annual festival promoting tourism in Kitsap County, including Port Orchard. The Committee believes the festival has merit, but recommended that the City of Bremerton support the festival equally.

- ❖ Recommended allocation: \$1,880 (3%)*

**the amount is conditional upon matching funds from the City of Bremerton.*

Port Orchard Bay Street Association:

Bay Street Association requested increased funding for 2012, which includes the Boating Season Kickoff and the Downtown Waterfront Art Walk for advertising and brochures. Bay Street Associations’ funding request is \$14,100. The Committee recommended this organization work with other organizations to maximize their advertising efforts; for all

of the downtown business merchants to support the expense of the beautification of the planters; and to partner with the KPVCB in promotion and marketing of its collaborative efforts for better regional and tourism results. Committee members Amy Iglie and Kathleen Wilson recused themselves during this discussion.

❖ Recommended allocation: \$6,333 (10%)

Port Orchard Chamber of Commerce:

The Chamber of Commerce submitted a request to increase distribution of consumer/tourism response packets and general media promotion of Port Orchard. The requested funding amount is \$18,956. The Committee recommended the Chamber focus on business retention; however, the Committee did support funding for the Chamber's efforts to serve as a visitor center annex, with the stipulation that they be open on the weekends. Further, the Committee recommended that the Chamber needs to form a closer working relationship with the KPVCB in relation to print and electronic media.

❖ Recommended allocation: \$6,125 (9%)*

**The Committee stipulated that \$4,000 be applied towards the Chamber being a KPVCB Visitor Center Annex that is open on the weekends, with the balance of funds to be used towards print and electronic media.*

Sidney Museum and Arts Association:

Sidney Museum and Arts Association submitted a request to increase publicity to increase tourism in Port Orchard through visits to the Sidney Gallery and Museums. The requested funding amount is \$10,275. The Committee supported funding to assist with the SMAA's website upgrades; however, the Committee recommended SMAA consider asking for a \$5 admission donation; charge a commercial rent for use of its space; and to be self-supporting. Further, the Committee felt SMAA should reduce its advertising in regional and state publications and become more proactive in partnering with the KPVCB in its marketing efforts.

❖ Recommended allocation: \$2,012 (3%)