Lodging Tax Advisory Committee  
September 10, 2014

The Committee met on Wednesday, September 10, 2014, 7:00 p.m. at City Hall.  Committee Members present: Chair Fred Chang; Kathy Michael, Cedar Cove Inn; Desiree Stephens, Port Orchard Chamber of Commerce; Lorraine Olsen, Mrs. Howe’s B&B; Jessie Turner, Fathoms O’ Fun; Bobbie Stewart, POBSA; Frank Graziani, Saints Car Club; and City staff, Clerk Brandy Rinearson.

Absent: Chan Park, Comfort Inn and Steven Saffell, Days Inn.

The projected lodging tax revenue for the 2015 budget year is $76,000, with an estimated cash balance of $44,000. The committee made recommendations based on those projections.

The Lodging Tax Advisory Committee made the following funding recommendations for 2015:

<table>
<thead>
<tr>
<th>2015 Lodging Tax</th>
<th>Request</th>
<th>Recommendation</th>
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<tbody>
<tr>
<td>Visit Kitsap</td>
<td>$12,000</td>
<td>$5,685</td>
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<tr>
<td>Port Orchard Bay Street Association</td>
<td>$23,200</td>
<td>$17,200</td>
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<tr>
<td>Concerts by the Bay</td>
<td>$9,000</td>
<td>$7,750</td>
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<tr>
<td>Sidney Museum and Arts Association</td>
<td>$7,000</td>
<td>$6,714</td>
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<tr>
<td>Explore Port Orchard</td>
<td>$21,550</td>
<td>$16,809</td>
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<tr>
<td>Fathoms O’ Fun Festivals</td>
<td>$17,750</td>
<td>$15,916</td>
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<tr>
<td>Saints Car Club (The Cruz)</td>
<td>$1,918</td>
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<tr>
<td>Port Orchard Chamber of Commerce</td>
<td>$10,350</td>
<td>$9,834</td>
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<tr>
<td>City Media Kit</td>
<td>$5,000</td>
<td>$3,714</td>
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<tr>
<td>City 125th Anniversary Event</td>
<td>$3,000</td>
<td>$2,571</td>
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<tr>
<td>City Festival of Chimes and Lights</td>
<td>$15,000</td>
<td>$9,318</td>
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<tr>
<td>City Foot Ferry Services</td>
<td>$11,500</td>
<td>$10,571</td>
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<tr>
<td>City Reserve</td>
<td>$0</td>
<td>$12,000</td>
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<td><strong>Totals:</strong></td>
<td><strong>$137,268</strong></td>
<td><strong>$120,000</strong></td>
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Committee members discussed the applications received and the following are summaries of the Committee’s review and recommendations for the 2015 funding allocations:

**City of Port Orchard Reserve**

The Committee discussed the need of a reserve. They felt the Treasurer’s recommendation of 10% was sufficient to prevent a short fall at the end of the year.

- **Recommended allocation:** $12,000
Visit Kitsap
The Committee reviewed the application and expressed concern of what would not be advertised/promoted, if the full amount was not funded. They wished there was a breakdown of what part of their operating budget was spent on Lodging Tax funds and what they proposed to use the 2015 Lodging Tax funds for. Although, they have a robust plan, the numbers they provided on how they calculated bringing tourists into the City seemed to be very general, with no justification. However, they do reach other groups nationally that local organizations cannot.

❖ Recommended allocation: $5,685

Port Orchard Bay Street Association
Committee member Stewart was excused from the discussion. The Committee reviewed the application and appreciated the Ladies Nights Out, Taste of Port Orchard, and Art Walk events, as they have been very successful. The committee was impressed that they are planning another event. The Committee agreed that the new event, Hog Fest, is a great addition to generating tourists by having them join for competition.

❖ Recommended allocation: $17,200

Concerts by the Bay
Committee Member Turner and staff Rinearson were excused from the discussion. The Committee reviewed the application and expressed concern of the cost and usability of a banner they wanted to purchase. They were enlightened by the way they track tourists coming into the City, by zip codes, and wish others would adopt this program. They did a good job on their application, but they did not include a financial statement as requested.

❖ Recommended allocation: $7,750

Fathoms O’ Fun Festivals
Committee member Turner and staff Rinearson were excused from the discussion. The Committee reviewed the application and agreed this organization is hard to account for how many events put heads in beds. However, they do promote the City all over the State by handing out materials at each float event. Their events are great. They may not generate tourists immediately, but they have done a good job promoting our events and maybe the tourists will come another time. They would encourage them to develop a method of tracking their zip codes, especially during the Parade event. Good strong application.

❖ Recommended allocation: $15,916

Sidney Museum and Arts Association
The Committee reviewed the application and appreciated the new Homes & Garden Tour event. They expressed it was a great addition and thought they really stepped up in the things they are doing. They thought the event generated a broader outreach outside the community. It did very well considering their limited resources.

❖ Recommended allocation: $6,714
Explore Port Orchard
The Committee reviewed the application stating their understanding is that this group will be doing the bulk of the advertising, so others will budget less. The advertising is specifically to market Port Orchard and the South Kitsap area; making sure there are no duplicating of advertising funds. This organization is to work together and collaboratively advertise to reduce future requests of Lodging Tax dollars.

- **Recommended allocation:** $16,809

Saints Car Club (The Cruz)
Committee member Graziani was excused from the discussion. The Committee reviewed the application stating that it is a strong application and they have the planning of the event together. They don’t ask for anymore than what they need. They have many other sources of funding. Eventually, they will not need the support of Lodging Tax dollars to put on the event.

- **Recommended allocation:** $1,918

Port Orchard Chamber of Commerce
Committee member Stephens was excused from the discussion. The Committee reviewed the application and were pleased to see the request included working with the new coalition and consolidating their request. The Chamber produces a lot of packets and mailing for tourists and relocations. They reduced their request this year compared to previous requests. They do a lot for the community.

- **Recommended allocation:** $9,834

City of Port Orchard Media Kit
The Committee reviewed the application and thought it was a great idea. This would be a one-time expense, however producing it would be ongoing. Once developed, the Committee could see this being handled by Explore Port Orchard. This would be best contracted out rather than having City staff do it. Committee felt more detail of what was going to be done could be included and what measurement they would put in place to account for it getting done. There seems to be duplication of producing a map, as other organizations have expressed doing a map too. The Committee was confused as to what items would be displayed in parking lots. They can see this kit being used as a tool to bring in new events and would generate a user friendly community.

- **Recommended allocation:** $3,714

City of Port Orchard 125th Anniversary
The Committee reviewed the application and thought it was a good idea, but encourages the event planning to be done by a committee made up of local organizations and event organizers. The application was not clear on what advertising would be done. It was noted that more dollars should have been requested.

- **Recommended allocation:** $2,571
City of Port Orchard Festival of Chimes and Lights
The Committee reviewed the application stating the event is swelling every year. The organization needs to come up with a method of tracking tourists. This event may not necessarily put a lot of heads-in-beds; however, the event does create tourism dollars through sales tax.

- **Recommended allocation:** $9,318

City of Port Orchard Foot Ferry Services
The Committee reviewed the application stating this is a great need. The Committee supports the Sunday and event services. They talked about if there was a need to extend beyond Labor Day. This is another service that can benefit from using Explore Port Orchard services.

- **Recommended allocation:** $10,571

There being no further business, Chair Chang adjourned the meeting at 8:55 p.m.

Copies to: Council/Mayor/Department Directors/City Attorney