



**CITY OF KIRKLAND**  
City Manager's Office  
123 Fifth Avenue, Kirkland, WA 98033 425.587.3001  
www.kirklandwa.gov

---

## MEMORANDUM

**To:** Kurt Triplett, City Manager  
**From:** Ellen Miller-Wolfe, Economic Development Manager  
**Date:** April 10, 2012  
**Subject:** Recommended Tourism Funding for SIFF, Summerfest and Tall Ships

### RECOMMENDATION:

The Tourism Development Committee (former Lodging Tax Advisory Committee or LTAC) recommends that the Seattle International Film Festival (SIFF) and Summerfest each receive \$3,000 in tourism funding for a total of \$6,000 from the Unforeseen Circumstances Fund established by City Council as part of the 2012 Budget. Also, the Committee recommends that the City Council approve \$4,800 from Tourism reserves for a 'Tall Ships' event. If Council votes to approve the recommendation, the budget adjustment will be reflected as part of the Mid-Year Adjustments to the 2011-2012 Biennial Budget in June.

### BACKGROUND DISCUSSION:

The Tourism Development Committee (TDC) oversees tourism funding collected from a tax on hotels and motels in Kirkland. These funds are by law available to activities, operations and expenditures designed to increase tourism, develop strategies to expand tourism, operate tourism promotion agencies, and fund the marketing of or operation of special events and festivals designed to attract tourists.

The TDC manages an annual application process that usually occurs in July, August and September, to fund events that bring visitors to Kirkland. This past year, the City Council accepted the recommendation of the TDC and approved \$45,000 for tourism events. The \$45,000 included funding for an Unforeseen Circumstances Fund totaling \$6,000 from repurposed Concours funds. The Fund provides an opportunity for applications to be received outside the normal funding cycle for those events or activities unable to wait for the next funding cycle.

The TDC met on March 3, 2011 and voted unanimously to recommend Unforeseen Circumstances funding for Summerfest and SIFF. At the meeting, the Committee heard presentations from SIFF and Summerfest regarding these events and their plans for the use of tourism funds. Both events indicated that they would be bringing visitors from outside of Kirkland in accordance with tourism goals. Summerfest will sponsor Shakespeare in the Park, which will likely bring visitors from outside of Kirkland. Summerfest also is developing a strategy that will position it as the umbrella and culminating event for other summer festivals in Kirkland. SIFF, in its third year in Kirkland, has historically brought people from all over the Eastside to attend its films and also to visit other retail and restaurant venues in the downtown.

On April 3, 2012, the TDC recommended \$4,800 in funding from its reserves for one day of a week-long visit by the Tall Ships. The Woodmark Hotel will sponsor this event the last week of August, and, together with other businesses, will cover the costs of the other days that the ship(s) is moored in Kirkland. The City will have the flexibility of deciding the moorage location and programming of the boat for the day it funds. The Tall Ships are an attraction that normally nets visitors from around the region.

**FISCAL NOTE**

CITY OF KIRKLAND

<b>Source of Request</b>							
Ellen Miller-Wolfe, Economic Development Manager							
<b>Description of Request</b>							
Request for one-time use of \$4,800 of Lodging Tax Fund operating reserve to fund a Tall Ships event.							
<b>Legality/City Policy Basis</b>							
<b>Fiscal Impact</b>							
<b>One-time use of up to \$4,800 of the Lodging Tax Fund Operating Reserve.</b> The reserve is able to fully fund this request.							
<b>Recommended Funding Source(s)</b>							
<b>Reserve</b>	Description	2012 Est End Balance	Prior Auth. 2011-12 Uses	Prior Auth. 2011-12 Additions	Amount This Request	Revised 2012 End Balance	2012 Target
	Lodging Tax Fund Operating Rsv	123,239	15,000		4,800	103,439	N/A
	Prior 2011-12 Authorized Uses of this reserve: \$15,000 for the Downtown Visitor's Center						
<b>Revenue/Exp Savings</b>							
<b>Other Source</b>							
<b>Other Information</b>							
Use of Lodging Tax funds is restricted to tourism promotion and acquisition and/or operation of tourism-related facilities. City policy requires a minimum balance of \$50,000 for this reserve.							

Prepared By	Neil Kruse, Senior Financial Analyst	Date	April 11, 2012
-------------	--------------------------------------	------	----------------