



CITY OF KIRKLAND

City Manager's Office

123 Fifth Avenue, Kirkland, WA 98033 425.587.3001

www.ci.kirkland.wa.us

MEMORANDUM

To: David Ramsay, City Manager

From: Erin J. Leonhart, Intergovernmental Relations Manager
Marilynne Beard, Assistant City Manager

Date: September 25, 2008

Subject: 2009 OUTSIDE AGENCY FUNDING RECOMMENDATION

As part of the 2007-2008 Budget, the City Council revised the outside agency funding process. Beginning in 2007, funds were awarded according to these categories:

- Partner Agencies – Organizations that operate an ongoing program or facility owned by the City or provide services on behalf of the City. This designation was given to the Kirkland Performance Center, Friends of Youth for the Kirkland Teen Union Building, and the Kirkland Downtown Association.
- Special Events – Events that have significant public appeal and are substantially funded and staffed by the City. The Fourth of July fireworks display has been funded under this category.
- Community Agency Funding – Activities and projects that would be funded on a one-time basis through a competitive process. Total funding to be dispersed is determined on an annual basis.
- Tourism Grants – Tourism projects and activities that are eligible for funding from Lodging Tax funds. The Lodging Tax Advisory Committee develops recommendations for Lodging Tax requests.

Under this system “Partner Agencies” (Kirkland Performance Center, Friends of Youth and the Kirkland Downtown Association) and the Fourth of July Fireworks received funding for 2007 and 2008. “Community Agency” requests and “Tourism Grants” remained on an annual cycle and were funded by a one-time General Fund allocation and a portion of annual Lodging Tax funds.

For 2009, the City received a total of \$243,325 in requests for Partner and Community Agency funding and \$72,000 in Lodging Tax funding requests. The Preliminary Budget reduces on-going funding levels for Partner Agencies by \$2,500 and reduces Community Agency funding from \$34,000 to \$17,000. In 2009, the recommended budget for Community Agencies is approximately 50% of 2008 levels due to limited one-time funds. Recommendations for limited Community Agency funds were allocated proportionately based on funding approved in 2008. The Lodging Tax Advisory Committee (LTAC) has recommended funding requests at a level of \$47,000 from the Lodging Tax Fund. The following table provides a summary of the funding requests and recommended funding levels by type of funding. Attachment 1 provides a detailed summary of funding recommendations for agency and funding source. Attachment 2 is a summary of the Lodging Tax Advisory Committee’s recommendation.

2009 FUNDING REQUESTS AND RECOMMENDATIONS

By Funding Source	2008 Approved	2009 Requested	2009 Recommended
GENERAL FUND			
Partner Agency -- Ongoing	70,000	78,500	67,500
Partner Agency -- One-Time	92,000	82,500	71,000
Special Events -- One-Time	30,000	30,000	15,000
Community Grants -- One-Time	<u>36,375</u>	<u>52,325</u>	<u>17,000</u>
Subtotal General Fund ----->	228,375	243,325	173,000
LODGING TAX FUND -- Tourism Grants	<u>58,000</u>	<u>74,000</u>	<u>47,000</u>
TOTAL ALL FUNDING SOURCES	286,375	317,325	217,500

The following narratives summarize agency requests and historical and recommended funding levels.

PARTNER AGENCIES

FRIENDS OF YOUTH

Friends of Youth operates the Teen Center (KTUB), a recreation, resource and arts center striving to meet the social recreational and cultural needs of young people between the ages of 13 and 19 years old.

Friends of Youth provides staffing for the KTUB an average of 35 hours and five days per week throughout the year, with longer hours during the summer months. Friends of Youth works with an Advisory Board comprised of youth and adults to assist in development and direction of a diverse array of programs and activities to meet the needs and interests, as well as increasing developmental assets, of Kirkland teens.

Project	2008 Approved	2009 Requested	2009 Recommended	Source
KTUB Operations	\$60,000	\$60,000	\$60,000	Ongoing General Fund

KIRKLAND PERFORMANCE CENTER

The Kirkland Performance Center (KPC) provides a theater facility in which arts, entertainment and community gatherings are presented. Approximately 70,000 people attend events at KPC annually. Primary objectives in 2009 are to present 35-40 internationally-renowned performing artists/art troupes; partner with 12 local arts organizations to present their work; provide high-quality arts education programs for locals students; and continue to serve as a gathering place for Kirkland residents.

The Kirkland Performance Center is requesting an additional \$12,000 in Lodging Tax funds to fund marketing brochures.

Project	2008 Approved	2009 Requested	2009 Recommended	Source
KPC Operations	\$50,000	\$50,000	\$50,000	One-Time General Fund
Marketing Brochures	\$8,000	\$12,000	\$8,000	Lodging Tax Fund

KIRKLAND DOWNTOWN ASSOCIATION

The Kirkland Downtown Association (KDA) focuses on creating a more vibrant downtown for the Kirkland community. KDA on-going partner funding is reduced from \$10,000 per year to \$7,500 per year. This reduction of \$5,000 for the biennium is recommended as one of the City Manager's Office service level reductions. KDA develops and manages programs to support businesses in the downtown core. Two programs were designed to help support business choosing to keep their doors open until 8:00pm on Thursday and Friday evenings: "T.G.I.Th., The Weekend Starts on Thursdays," which runs from Memorial Day through Labor Day, and "Kirkland Nights of Shopping," which runs from mid-November through the Christmas holiday. In 2008, KDA added a new program called "Second Thursdays Jazz Nights" to help support the art walk as well as increase traffic in the downtown. Also, KDA sends an email notice every Friday to subscribers about local events. Subscribers increased by 30% in 2008.

In addition to business support programs, KDA uses grant funding for projects such as the downtown flowerpot program, promotions for holiday events, power-washing sidewalks, and updating the KDA website. In 2009, KDA requested funding to continue all of the aforementioned programs and projects.

KDA also supports other activities such as the Kirkland Classic Car Show and the Wednesday Market that have requests listed in the Community Agency section.

Project	2008 Approved	2009 Requested	2009 Recommended	Source
KDA Operations	\$52,000	\$51,000	\$28,500	\$7,500 Ongoing General Fund; \$21,000 One-Time General Fund
KDA Promotions	\$8,000	\$8,000	\$8,000	Lodging Tax Fund

SPECIAL EVENTS

FOURTH OF JULY FIREWORKS

Celebrate Kirkland produces a Fourth of July event that fosters community spirit and celebrates the diverse elements of our community. A parade, picnic, and annual fireworks show provide an opportunity for everyone to recognize and celebrate Independence Day. A multitude of volunteers, community groups and businesses make this event possible. City funding for the fireworks display is supplemented by fundraising conducted by Celebrate Kirkland.

Celebrate Kirkland is also requesting funding for the Fourth of July picnic, parade and marketing which are all considered below under the community agency requests.

Project	2008 Approved	2009 Requested	2009 Recommended	Source
Fourth of July Fireworks	\$30,000	\$30,000	\$15,000	One-Time General Fund

COMMUNITY AGENCY AND LODGING TAX REQUESTS

BOLD HAT PRODUCTIONS – KIRKLAND UNCORKED

Bold Hat Productions has produced the Kirkland Uncorked event for the past two years. The event, which takes place in downtown Kirkland, combines art, food, wine and lifestyle venues over three days in July. Bold Hat requested \$15,000 for marketing the event for 2009. The Lodging Tax Advisory Committee recommends approval of the request contingent upon receipt of a final report on the event that will include an economic impact statement prepared for the event.

Project	2008 Approved	2009 Requested	2009 Recommended	Source
Kirkland Uncorked	\$30,000	\$15,000	\$15,000	Lodging Tax Fund

BRIDLE TRAILS PARK FOUNDATION

The Bridle Trails Park Foundation has applied for a third year of funding to cover the cost of hanging banners to advertise the annual Party in the Park. The goal for the Party in the Park is to bring families into the park to enjoy family oriented activities and raise money to preserve, maintain and enhance Bridle Trails State Park.

Project	2008 Approved	2009 Requested	2009 Recommended	Source
Banner for picnic	\$325	\$500	\$150	One-Time General Fund

CELEBRATE KIRKLAND

Celebrate Kirkland produces a Fourth of July event that fosters community spirit and celebrates the diverse elements of our community. A parade, picnic, and fireworks show provide an opportunity for everyone to recognize and celebrate Independence Day. A multitude of volunteers, community groups and businesses make this event possible. The City of Kirkland provides funding for the fireworks display (see above). This funding is supplemented by fundraising conducted by Celebrate Kirkland.

Project	2008 Approved	2009 Requested	2009 Recommended	Source
July 4 th Picnic	\$4,500	\$4,500	\$2,100	One-Time General Fund
July 4 th Parade	\$4,500	\$6,000	\$2,100	One-Time General Fund
July 4 th Marketing	\$4,000	\$6,000	\$3,000	Lodging Tax Fund
TOTAL	\$13,000	\$16,500	\$7,200	

CONCOURS d'ELEGANCE

Concours d'Elegance is an annual display of elegant cars similar to the annual show at Pebble Beach, which draws local, regional and national car enthusiasts as well as local residents. The Kirkland Concours d'Elegance has two overarching goals: to generate funds to serve seriously ill children and to educate the public about antique, vintage and classic automobiles. In the first five years, Concours contributed over \$800,000 to Evergreen Hospital Medical Center, in Kirkland, and Children's Hospital and Regional Medical Center, the beneficiaries of the event. Community event funding is requested for police support at the event as well as printing and hanging of banners. Lodging Tax funds will be used for event marketing.

Project	2008 Approved	2009 Requested	2009 Recommended	Source
Event Support & Banners	\$2,500	\$4,525	\$1,170	One-Time General Fund
Event Marketing	\$6,000	\$8,000	\$8,000	Lodging Tax Funds

EASTSIDE HERITAGE CENTER

The Eastside Heritage Center has approximately 30,000 artifacts in a growing collection. Since 2007 and at the request of the City, they have provided historical displays at City Hall. They are requesting funding to produce five exhibits for Kirkland City Hall to celebrate the rich and diverse history of Kirkland and the Eastside.

Project	2008 Approved	2009 Requested	2009 Recommended	Source
City Hall Displays	\$1,250	\$4,500	\$585	One-Time General Fund

INTERLAKEN TRAILBLAZERS

The Interlaken Trailblazers host four to five Volkswalks per year in various eastside cities. Funding is requested to conduct a 10 kilometer (6.2 mile) Volkswalk in Kirkland hosting 300-400 people, which will encourage involvement in the exercise of walking as well as bring people to and through Kirkland.

Project	2008 Approved	2009 Requested	2009 Recommended	Source
Event Support	\$300	\$300	\$140	One-Time General Fund

JUNIOR SOFTBALL WORLD SERIES

The Junior Softball World Series is a week-long softball tournament involving regional Little League all-star champions from five US regions, Canada, Europe, Latin America, Asia and a host team. The event introduces people from around the world to Kirkland. It is also a major Little League sporting event with a nationally-televised championship game. Funding is requested for team and visiting umpire housing and a banquet at Lake Washington Technical College.

Project	2008 Approved	2009 Requested	2009 Recommended	Source
Event Support	\$5,000	\$10,000	\$2,340	One Time General Fund

KIRKLAND ARTISTS STUDIO TOURS

The Kirkland Artist Studio Tour (KAST) grows in popularity every year. The event supports the growing art community in Kirkland and allows guests to visit the studios of artists that work out of their homes. The event attracts many visitors including families looking for a different way to spend Mother's Day.

Project	2008 Approved	2009 Requested	2009 Recommended	Source
Event Marketing	\$2,000	\$4,000	\$2,000	Lodging Tax Fund

KIRKLAND ARTS CENTER

The Kirkland Art Center (KAC) makes art accessible to the community through core education and gallery programs as well as a series of free outreach events and exhibits. Proposed 2009 activities include a partnership with Hopelink, hands-on art activities at community events, lectures and satellite exhibits. KAC provides Eastside residents with access to quality arts education and critically-acclaimed contemporary art exhibitions.

Project	2008 Approved	2009 Requested	2009 Recommended	Source
Free/subsidized classes	\$4,000	\$4,000	\$1,870	One Time General Fund

KIRKLAND DOWNTOWN ASSOCIATION – CLASSIC CAR SHOW

The Kirkland Downtown Association (KDA) sponsors the Kirkland Classic Car Show in partnership with the Legends Car Club, now in its seventh year. The Classic Car Show brings an estimated 15,000-20,000 people from the region to downtown Kirkland for the day.

Project	2008 Approved	2009 Requested	2009 Recommended	Source
Event Support	\$3,500	\$4,500	\$1,640	One-Time General Fund

KIRKLAND DOWNTOWN ASSOCIATION – KIRKLAND WEDNESDAY MARKET

The Kirkland Downtown Association is the parent organization to the Kirkland Wednesday Market (KWM), which is requesting funding to attend a national conference on direct farm marketing to be held in Savannah, Georgia. The goal is to glean new ideas and information to integrate into the local farmers' market program. The KWM has a geographical and destination based audience.

Project	2008 Approved	2009 Requested	2009 Recommended	Source
Conference Attendance	\$0	\$3,000	\$0	N/A

KIRKLAND GALLERY ASSOCIATION

The Kirkland Gallery Association produces a brochure every other year that provides a guide to galleries and public art in Kirkland. The Gallery Association has requested \$21,000 for printing and distribution of the brochures. The LTAC is recommending \$3,000 with an additional \$5,000 to be provided within the Tourism Budget for distributing brochures through a vendor that distributes Kirkland's tourism-related materials throughout the greater Puget Sound, eastern Washington and Vancouver, British Columbia.

Project	2008 Approved	2009 Requested	2009 Recommended	Source
Marketing Brochure	\$0	\$21,000	\$3,000	Lodging Tax Fund

KIRKLAND HERITAGE SOCIETY

The Kirkland Heritage Society (KHS) has a collection of nearly 12,000 historical photographs, documents and other printed materials. In 2006, KHS purchased a database developed specifically for cataloguing these types of materials. The funding will continue the project to enter items into the database so they will be readily available to the citizens of Kirkland and others for research.

Project	2008 Approved	2009 Requested	2009 Recommended	Source
Cataloging	\$2,000	\$2,000	\$935	One-Time General Fund

SEVEN HILLS OF KIRKLAND – KITH

The Seven Hills of Kirkland bike ride raises funds for on-going programs of Kirkland Interfaith Transitions in Housing. The ride brings approximately 1400 cyclists to Marina Park, through and around Kirkland for an event that has been widely recognized by the biking community. Seven Hills also offers an opportunity for KITH to explain its programs and projects to a wide variety of community members.

Project	2008 Approved	2009 Requested	2009 Recommended	Source
Event Support	\$7,000	\$7,000	\$3,270	One-Time General Fund

TRANSPORTATION CHOICES COALITION

Transportation Choices Coalition provides education and support for expanding transportation options for Kirkland residents in an effort to improve mobility and preserve the environment. In 2009, Transportation Choices would like to host at least one Transportation 101 workshop to provide transportation information, with a particular emphasis on East King County's and Washington's transportation system and about the effects of transportation investments on health, environment, mobility and quality of life.

Project	2008 Approved	2009 Requested	2009 Recommended	Source
Program Support	\$1,500	\$1,500	\$700	One-Time General Fund

Attachments:

- 1 – Funding Recommendations – Detailed Summary
- 2 – Lodging Tax Advisory Committee's Funding Recommendation

**City of Kirkland 2009-2010 Budget
Outside Agency Funding**

By Funding Source		2008 Approved	2009 Requested	2009 Recommended
GENERAL FUND				
Partner Agency -- Ongoing				
Friends of Youth	KTUB Teen Center Operations	60,000	60,000	60,000
Kirkland Downtown Association	Operating Support	10,000	18,500	7,500
	Subtotal Partners -- Ongoing	70,000	78,500	67,500
Partner Agency -- One-time				
Kirkland Downtown Association	Operating Support	42,000	32,500	21,000
Kirkland Performance Center	Operating Support	50,000	50,000	50,000
	Subtotal Partners -- One-Time	92,000	82,500	71,000
Other Base Budget Allocation - One-Time				
Celebrate Kirkland	July 4th Fireworks	30,000	30,000	15,000
	Subtotal Other -- One-Time	30,000	30,000	15,000
Community Grants				
Bridle Trails Park Foundation	Banner for picnic	325	500	150
Celebrate Kirkland	July 4th Parade	4,500	6,000	2,100
Celebrate Kirkland	July 4th Picnic	4,500	4,500	2,100
Concours d' Elegance	Police Support & Street Banners	2,500	4,525	1,170
Eastside Heritage Center	City Hall Displays	1,250	4,500	585
Interlaken Trailblazers	Volkssporting 2009	300	300	140
Junior Softball World Series	Event Support	5,000	10,000	2,340
Kirkland Arts Center	Free/subsidized classes	4,000	4,000	1,870
Kirkland Downtown Association	Classic Car Show	3,500	4,500	1,640
Kirkland Heritage Society	Cataloging	2,000	2,000	935
Kirkland Interfaith Transitions in Housing	Seven Hills of Kirkland	7,000	7,000	3,270
Kirkland Wednesday Market	Conference Attendance	-	3,000	-
Transportation Choices Coalition	Dues	1,500	1,500	700
	Subtotal Community Grants	36,375	52,325	17,000
	Subtotal General Fund	228,375	243,325	170,500
LODGING TAX FUND -- Tourism Grants				
Bold Hat Productions	Kirkland Uncorked Marketing	30,000	15,000	15,000
Celebrate Kirkland	July 4th Marketing	4,000	6,000	3,000
Concours d' Elegance	Event Marketing	6,000	8,000	8,000
Kirkland Artists Studio Tours	Event Marketing	2,000	4,000	2,000
Kirkland Downtown Association	General Promotion	8,000	8,000	8,000
Kirkland Gallery Association	Marketing Brochure	-	21,000	3,000
Kirkland Performance Center	Marketing Brochure	8,000	12,000	8,000
	Subtotal Lodging Tax	58,000	74,000	47,000
TOTAL ALL FUNDING SOURCES		286,375	317,325	217,500
By Agency and Event		2008 Approved	2009 Requested	2009 Recommended
Bridle Trails Park	Picnic	325	500	150
Celebrate Kirkland	July 4th Fireworks	30,000	30,000	15,000
	July 4th Parade	4,500	6,000	2,100
	July 4th Picnic	4,500	4,500	2,100
	Marketing (LTAC)	4,000	6,000	3,000
	Subtotal Celebrate Kirkland	43,000	46,500	22,200
Concours d' Elegance	Event Support	2,500	4,525	1,170
	Marketing (LTAC)	6,000	8,000	8,000
	Subtotal Concours	8,500	12,525	9,170
Eastside Heritage Center	City Hall Displays	1,250	4,500	585
Friends of Youth	KTUB Operations	60,000	60,000	60,000
Interlaken Trailblazers	Volkssporting 2009	300	300	140
Junior Softball World Series	Event Support	5,000	10,000	2,340
Kirkland Arts Center	Free/Subsidized Classes	4,000	4,000	1,870
Kirkland Artists Study Tour	Marketing (LTAC)	2,000	4,000	2,000
Kirkland Downtown Association	Operational Funding	52,000	51,000	28,500
	Kirkland Wednesday Market	-	3,000	-
	Classic Car Show	3,500	4,500	1,640
	Marketing (LTAC)	8,000	8,000	8,000
	Subtotal Kirkland Downtown Association	63,500	66,500	38,140
Kirkland Gallery Association	Brochures	-	21,000	3,000
Kirkland Heritage Society	Operating Support	2,000	2,000	935
Kirkland Interfaith Transitions in Housing	Seven Hills of Kirkland	7,000	7,000	3,270
Kirkland Performance Center	Operating Support	50,000	50,000	50,000
	Brochures (LTAC)	8,000	12,000	8,000
	Subtotal Kirkland Performance Center	58,000	62,000	58,000
Kirkland Uncorked	Marketing (LTAC)	30,000	15,000	15,000
Transportation Choices	Operating Support	1,500	1,500	700
TOTAL ALL AGENCIES/EVENTS		286,375	317,325	217,500


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MEMORANDUM

To: David Ramsay, City Manager
Tracey Dunlap, Finance Director

From: Sheila Cloney

Date: September 24, 2008

Subject: 2009 Tourism Outside Agency Requests – LTAC Recommendation

The Lodging Tax Advisory Committee (LTAC) reviewed requests for tourism grants totaling \$74,000. The LTAC recommends increasing the total 2009 Tourism Outside Agency funding amount from \$30,000 to \$47,000. Their recommendation is based on maintenance of 2008 funding levels and the degree to which the request supports tourism activities. The following table summarizes the LTAC's recommendation for 2009.

Agency/Project	2008 Funding	2009 Requested	2009 Recommended	Notes
Kirkland Gallery Association Brochure Printing and Distribution	-	\$21,000	\$3,000	Additional \$5,000 for distribution will be allocated through Tourism Budget
Concours d'Elegance Marketing	\$6,000	\$8,000	\$8,000	Provides national-level advertising
Celebrate Kirkland Marketing	\$4,000	\$6,000	\$3,000	
Kirkland Uncorked	\$30,000	\$15,000	\$15,000	Final approval pending receipt of economic impact statement in October 2008
Kirkland Performance Center Brochure	\$8,000	\$12,000	\$8,000	
Kirkland Artist Studio Tour Marketing	\$2,000	\$4,000	\$2,000	
Kirkland Downtown Association Marketing	\$8,000	\$8,000	\$8,000	
Total	\$58,000	\$74,000	\$47,000	

The base Lodging Tax budget has historically allocated \$30,000 for tourism grants. The LTAC recommends that additional funds in the amount of \$17,000 be allocated from the available fund balance in the Lodging Tax Fund (estimated available fund balance is \$176,000 at the end of 2008).