



## CITY OF KIRKLAND

City Manager's Office

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### MEMORANDUM

**To:** Kurt Triplett, City Manager

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

**Date:** September 13, 2010

**Subject:** 2011 OUTSIDE AGENCY FUNDING RECOMMENDATIONS

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 (now the Bellevue YMCA) 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.

Economic difficulties during the 2010 budget process significantly reduced funding available for this process, particularly for those organizations funded through the General Fund. Under this system, "Partner Agencies" (Kirkland Performance Center, Friends of Youth and the Kirkland Downtown Association) received funding for 2010. In the case of the Kirkland Performance Center, the amount was reduced from the 2009 level of \$50,000 to \$34,000. There was no General Fund award for "Special Events." Very limited "Community Agency" requests outside of the Partner Agencies were funded by a one-time General Fund allocation and "Tourism Grants" were funded with a portion of annual Lodging Tax funds.

For 2011, the City did not conduct a process for Community Agency Funding so the only General Fund recommendations included in this report are for Partner Agencies. The Preliminary Budget maintains 2010 funding levels for Partner Agencies to the extent possible. The City received a total of \$109,400 in Lodging Tax funding requests. The Lodging Tax Advisory Committee (LTAC) has recommended funding requests at a level of \$40,000 from the Lodging Tax Fund.

This memo 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.

**2011 FUNDING REQUESTS AND RECOMMENDATIONS**

<b>By Funding Source</b>	<b>2010 Approved</b>	<b>2011 Requested</b>	<b>2011 Recommended</b>
<b>GENERAL FUND</b>			
Partner Agency -- Ongoing	211,000	211,000	205,000
Partner Agency -- One-Time	34,000	43,000	34,000
Community Grants -- One-Time	3,670	0	0
<b>Subtotal General Fund -----&gt;</b>	<b>248,670</b>	<b>254,000</b>	<b>239,000</b>
<b>LODGING TAX FUND -- Tourism Grants</b>	<u>30,000</u>	<u>109,400</u>	<u>40,000</u>
<b>TOTAL ALL FUNDING SOURCES</b>	<b>278,670</b>	<b>363,400</b>	<b>279,000</b>

**PARTNER AGENCIES - ONGOING**

**BELLEVUE YMCA**

The Bellevue YMCA 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.

The Bellevue YMCA 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. They work 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, interests and social development of Kirkland teens. Currently, the KTUB is funded through the Parks & Community Services Department as a partner agency at \$160,000 per year.

<b>Project</b>	<b>2010 Approved</b>	<b>2011 Requested</b>	<b>2011 Recommended</b>	<b>Source</b>
KTUB Operations	\$160,000	\$160,000	\$160,000	Ongoing General Fund

**KIRKLAND DOWNTOWN ASSOCIATION**

The Kirkland Downtown Association (KDA) focuses on creating a more vibrant downtown for the Kirkland community. KDA develops and manages programs to support businesses in the downtown core. In 2010, KDA is funded as a partner agency at \$51,000 from the General Fund. The recommendation for 2011 is \$45,000. KDA also receives Lodging Tax funds for events, which are awarded on an annual basis and are enumerated later in this report.

<b>Project</b>	<b>2010 Approved</b>	<b>2011 Requested</b>	<b>2011 Recommended</b>	<b>Source</b>
KDA Operations	\$51,000	\$51,000	\$45,000	Ongoing General Fund

### **PARTNER AGENCIES – ONE-TIME**

#### **KIRKLAND PERFORMANCE CENTER**

The Kirkland Performance Center (KPC) provides a theater facility in which arts, entertainment and community gatherings are presented. KPC's mission is to provide cultural enrichment by offering a home for the presentation, support, and promotion of the performing arts. KPC provides high-quality arts education programs for local students and serves as a gathering place for Kirkland residents.

The Kirkland Performance Center is requesting an additional \$6,000 in Lodging Tax funds.

<b>Project</b>	<b>2010 Approved</b>	<b>2011 Requested</b>	<b>2011 Recommended</b>	<b>Source</b>
KPC Operations	\$34,000	\$43,000	\$34,000	One-Time General Fund
Marketing	\$2,000	\$6,000	\$5,000	Lodging Tax Fund

### **LODGING TAX REQUESTS**

#### **BOLD HAT PRODUCTIONS – KIRKLAND UNCORKED**

Kirkland Uncorked, described as Wine, Dine and Design on the Waterfront, takes place in downtown Kirkland, combines art, food, wine and lifestyle venues over three days in July. The event raises funds for the Hope Heart Institute. Bold Hat requested \$15,000 for marketing the event for 2011.

<b>Project</b>	<b>2010 Approved</b>	<b>2011 Requested</b>	<b>2011 Recommended</b>	<b>Source</b>
Kirkland Uncorked	\$2,000	\$15,000	\$6,000	Lodging Tax Fund

#### **JUNIOR SOFTBALL WORLD SERIES**

The Junior Softball World Series is a week-long softball tournament involving regional Little League all-star champions from all over the world. 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. The Junior Softball World Series requested \$10,000 for event support in 2011.

<b>Project</b>	<b>2010 Approved</b>	<b>2011 Requested</b>	<b>2011 Recommended</b>	<b>Source</b>
Event Support	\$8,000	\$10,000	\$6,000	Lodging Tax Fund

### CONCOURS d'ELEGANCE

Concours d'Elegance is an annual display of rare automobiles, 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 addition to displaying unique automobiles, the event provides support to the community by committing 100% of its net proceeds to fund uncompensated care at Seattle Children's Hospital and Evergreen Hospital Medical Center. Concours d'Elegance requested \$10,000 for event marketing in 2011.

Project	2010 Approved	2011 Requested	2011 Recommended	Source
Event Marketing	\$8,000	\$10,000	\$6,000	Lodging Tax Funds

### KIRKLAND ARTS CENTER – KIRKLAND ARTISTS STUDIO TOUR & LOCAVORE

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. Funding for 2011 is proposed to market the Kirkland Artists Studio Tour (KAST) and "Locavore." KAST is a free, public art event that allows visitors to visit numerous artists' studios within the neighborhoods of Kirkland. "Locavore" is a new, ticketed event which showcases the work of the local artists featured in KAST as well as locally-produced food, wine and fashion. KAC requested \$9,500 for marketing and other event support in 2011.

Project	2010 Approved	2011 Requested	2011 Recommended	Source
Event Marketing & Support	\$2,000	\$9,500	\$4,500	Lodging Tax Fund

### KIRKLAND DOWNTOWN ASSOCIATION –HOLIDAY EVENTS

The Kirkland Downtown Association (KDA) serves as the local downtown tourist office and coordinates holiday events such as the Holiday Tree Lighting, Holiday Nights of Shopping and Fourth of July. KDA requested \$12,000 for event marketing and support in 2011.

Project	2010 Approved	2011 Requested	2011 Recommended	Source
Event Marketing & Support	\$2,000	\$12,000	\$5,000	Lodging Tax 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. The Classic Car Show brings an estimated 15,000-20,000 people from the region to downtown Kirkland for the day. The KDA requested \$3,500 for event support in 2011.

Project	2010 Approved	2011 Requested	2011 Recommended	Source
Event Support	\$2,000	\$3,500	\$2,500	Lodging Tax Fund

### **KIRKLAND CULTURAL COUNCIL – FISH FROLIC**

The Fish Frolic is a new program and series of related events in which Kirkland and regional artists transform fiberglass fish into works of art for display around Kirkland and ultimately auctioned to raise funds for involved artists. The Kirkland Cultural Council requested \$10,000 for program support in 2011.

<b>Project</b>	<b>2010 Approved</b>	<b>2011 Requested</b>	<b>2011 Recommended</b>	<b>Source</b>
Program Support	N/A	\$10,000	\$5,000	Lodging Tax Fund

### **CARILLON POINT OUTDOOR MOVIES**

Carillon Properties hosts outdoor movies on six Saturdays during the summer. Net proceeds from the event (entrance fees, concessions and popcorn sales) are donated directly to Hopelink. Carillon Properties requested \$2,800 for event support in 2011.

<b>Project</b>	<b>2010 Approved</b>	<b>2011 Requested</b>	<b>2011 Recommended</b>	<b>Source</b>
Event Support	N/A	\$2,800	\$0	Lodging Tax Fund

### **KIRKLAND CRITERIUM**

The Kirkland Criterium is a closed circuit bike race that attracts riders from the northwest with a goal of attracting professional riders from across the nation. The Kirkland Criterium requested \$4,100 for event support in 2011.

<b>Project</b>	<b>2010 Approved</b>	<b>2011 Requested</b>	<b>2011 Recommended</b>	<b>Source</b>
Event Support	N/A	\$4,100	\$0	Lodging Tax 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 (KITH). The ride brings approximately 1500 cyclists through and around Kirkland for an event that has been widely recognized by the biking community. KITH requested \$5,000 for event support in 2011.

<b>Project</b>	<b>2010 Approved</b>	<b>2011 Requested</b>	<b>2011 Recommended</b>	<b>Source</b>
Event Support	\$2,000	\$5,000	\$0	Lodging Tax Fund
Event Support	\$1,800	\$0	\$0	One-Time General Fund

### **KIRKLAND COMEDY FESTIVAL**

The Kirkland Comedy Festival will bring live comedy into multiple venues throughout the city and comedians, agents, managers and talent scouts from across the world. The Kirkland Comedy Festival requested \$15,000 for event marketing in 2011.

<b>Project</b>	<b>2010 Approved</b>	<b>2011 Requested</b>	<b>2011 Recommended</b>	<b>Source</b>
Event Marketing	N/A	\$15,000	\$0	Lodging Tax Fund

### **12K'S OF CHRISTMAS HOLIDAY RUN**

The 12k's of Christmas Holiday run is a holiday themed 12k and 5k run/walk that benefits the Sleep Country Foster Kids Program. Pro-Motion Events requested \$3,500 for event marketing in 2011.

<b>Project</b>	<b>2010 Approved</b>	<b>2011 Requested</b>	<b>2011 Recommended</b>	<b>Source</b>
Event Marketing	\$2,000	\$3,500	\$0	Lodging Tax Fund

### **KIRKLAND HALF MARATHON AND 5K**

The Kirkland Half Marathon and 5k takes place on Mother's Day each year and offers a scenic tour through Kirkland's neighborhoods. Partial proceeds are given to the Hope Heart Institute. Pro-Motion Events requested \$3,000 for event marketing in 2011.

<b>Project</b>	<b>2010 Approved</b>	<b>2011 Requested</b>	<b>2011 Recommended</b>	<b>Source</b>
Event Marketing	N/A	\$3,000	\$0	Lodging Tax Fund

Attachments:

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

**City of Kirkland 2011-2012 Budget  
2011 Outside Agency Funding**

<b>By Funding Source</b>	<b>2010 Approved</b>	<b>2011 Requested</b>	<b>2011 Recommended</b>
<b>GENERAL FUND</b>			
Partner Agency -- Ongoing			
YMCA (Previously Friends of Youth)      KTUB Teen Center Operations	160,000	160,000	160,000
Kirkland Downtown Association      Operating Support	51,000	51,000	45,000
<b>Subtotal Partners -- Ongoing</b> ----->	<b>211,000</b>	<b>211,000</b>	<b>205,000</b>
Partner Agency -- One-time			
Kirkland Performance Center      Operating Support	34,000	43,000	34,000
<b>Subtotal Partners -- One-Time</b> ----->	<b>34,000</b>	<b>43,000</b>	<b>34,000</b>
Community Grants			
Kirkland Arts Center      Free/subsidized classes	1,870	-	-
Kirkland Interfaith Transitions in Housing      Seven Hills of Kirkland	1,800	-	-
<b>Subtotal Community Grants</b> ----->	<b>3,670</b>	<b>-</b>	<b>-</b>
<b>Subtotal General Fund</b> ----->	<b>248,670</b>	<b>254,000</b>	<b>239,000</b>
<b>LODGING TAX FUND -- Tourism Grants</b>			
Bold Hat Productions      Kirkland Uncorked Marketing	2,000	15,000	6,000
Little League Baseball, Inc.      Softball World Series	8,000	10,000	6,000
Concours d' Elegance      Event Marketing	8,000	10,000	6,000
Kirkland Arts Center      Artist Studio Tour -Event Marketing	2,000	9,500	4,500
Kirkland Downtown Association      Holiday Events	2,000	12,000	5,000
Kirkland Downtown Association      Classic Car Show -Event Marketing	2,000	3,500	2,500
Kirkland Cultural Council      Fish Frolic -Event Marketing	-	10,000	5,000
Kirkland Performance Center      2011 Season	2,000	6,000	5,000
Carillon Point      Outdoor Movies	-	2,800	-
Bikecafe.net      Kirkland Criterium	-	4,100	-
Kirkland Interfaith Transitions in Housing      Seven Hills of Kirkland	2,000	5,000	-
Laughs Comedy Spot      Comedy Festival	-	15,000	-
Pro-Motion Events      12k's of Christmas	2,000	3,500	-
Pro-Motion Events      Half Marathon & 5k	-	3,000	-
<b>Subtotal Lodging Tax</b> ----->	<b>30,000</b>	<b>109,400</b>	<b>40,000</b>
<b>TOTAL ALL FUNDING SOURCES</b>	<b>278,670</b>	<b>363,400</b>	<b>279,000</b>


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**MEMORANDUM**

**To:** Marilynne Beard, Assistant City Manager, Tracey Dunlap, Finance Director  
**From:** Julie Huffman, Special Projects Coordinator and Ellen Miller-Wolfe, Economic Development Manager  
**Date:** August 4, 2010  
**Subject:** Lodging Tax Advisory Committee (LTAC) Funding Recommendations

**RECOMMENDATION:**

The LTAC met on August 3, 2010 and recommended that the organizations below receive funding in 2011 at the levels specified. The LTAC understood that the approved budget of \$40,000 did not cover the total amount of funds requested of \$109,400. However, the LTAC recognized that the revenue for this year is projected to be comparable with 2009 levels of funding. In 2009 the LTAC offered \$30,000 in funding to tourism events and programming. This year, the committee offered \$40,000, acknowledging the struggle that organizations are having securing funding. The committee agreed that a mid-year review of the budget would be appropriate to determine whether any additional funds could be allocated.

The committee discussed a number of criteria in evaluating the 14 applications received: the tourism impact of the event or program, the community or business connections made by the event or program, whether the event was established or new, and the event's ability to obtain funding elsewhere. There were 2 events that the committee determined did not have a significant tourism impact and removed those from further consideration (Carillon Outdoor Movies, Criterium). The committee members rated the 12 applications left individually on a number scale based on those criteria. Those scores were tabulated and the totals shared with the group. The committee then determined levels of funding based on those scores. There were an additional 2 applications that were determined to not be eligible for funding this year based on the scores, though they would consider them for funding next year (7<sup>th</sup> Hills, Laughs, 12K's, ½ Marathon). The results are listed in the table below:

Organization	Event/Programming	Requested Amount	LTAC Recommendation
John Chadwick	Little League Baseball Junior Softball World Series	\$10,000	\$6,000
Jeff Clark, Board Chair	Kirkland Concours d'Elegance	\$10,000	\$6,000
Bold Hat	Kirkland Uncorked	\$15,000	\$6,000
Kirkland Cultural Council	FishART Frolic on the Waterfront	\$10,000	\$5,000



Bill Vadino, Kirkland Downtown Association	Office publications, Holiday Shopping, Tree Lighting, Kirkland Wednesday Market, 4 <sup>th</sup> of July	\$12,000	\$5,000
Kirkland Performance Center	Season Brochure	\$6,000	\$5,000
Kirkland Arts Center	Kirkland Artist's Studio Tour and Locavore	\$9500	\$4500
Classic Car Show	Downtown Kirkland Car Show	\$3500	\$2500
Laughs Comedy Spot	Comedy Festival	\$15,000	\$0
David Visintainer	Kirkland Criterium Bike Race	\$4,100	\$0
Kirkland Interfaith Transitions in Housing	7 Hills of Kirkland	\$5,000	\$0
Pro-Motion Events	Kirkland Half Marathon and 5K	\$3,000	\$0
Pro-Motion Events	12K's of Christmas Holiday Run	\$3,500	\$0
Carillon Point	Outdoor Movie Series	\$2800.00	\$0