



MEMORANDUM

To: Kurt Triplett, City Manager
From: Marilynne Beard, Deputy City Manager
Date: October 1, 2012
Subject: OUTSIDE AGENCY/EVENTS FUNDING

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, 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 Tourism Development Committee develops recommendations for Lodging Tax requests.

Looking Back at 2011-2012

Economic difficulties during the 2010 budget process significantly reduced funding available for outside agencies, particularly for those organizations funded through the General Fund. Under this system, "Partner Agencies" (Kirkland Performance Center, KTUB/Bellevue YMCA 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" in 2010, 2011 or 2012 but all three partner agencies were funded for all three years. 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. Since there was no funding allocated for 2011, the City did not conduct a process for Community Agency Funding. Partner Agencies from the General Fund and tourism grants from the Lodging Tax Fund were included as part of the adopted budget.

Mid-way through the 2011-2012 biennium, the City Council was approached by two local event organizers (Summerfest and the Chamber of Commerce for Celebrate Kirkland) requesting General Fund support for events. The City Council requested additional information about the

new Summerfest event and approved funding of \$7,000 for Summerfest (which was also allocated \$3,000 in Lodging Tax funds through the Tourism Development Committee). The City Council also approved \$7,000 for the Fourth of July fireworks display organized by Celebrate Kirkland. Both events were funded from the City Council Special Projects Reserve.

During that process, members of the Council had also received feedback from some event organizers about the difficult process required for securing event permits and the cost for required City support. The City Council asked staff to prepare a report on events funding and permitting for use in future years. The report will be a research project that is being conducted by a Seattle University MPA Graduate student as her capstone project. The report will discuss how Kirkland defines the public benefit of events, research comparable communities with regard to how they determine event funding support and how they conduct the event permitting process including a comparison of City costs such as police and permit fees.

Looking Ahead to 2013-2014

The 2013-2014 Budget reflects a similar funding challenge as experienced in 2011-2012. Once again, the Preliminary Budget maintains 2011-12 funding levels for Partner Agencies and reflects the Tourism Development Committee’s recommendation for tourism grants. It should be noted that the legislation allowing the use of lodging tax revenue to support event operations sunsets in 2013 and so all funding recommendations from the Tourism Development Committee are for event marketing and promotion. The Preliminary Budget does not include a General Fund allocation for outside agencies and events, nor did the City solicit funding applications. If the City Council decides to set aside funding in the 2013-2014 Budget for events or other outside agencies, staff recommends that an application and funding process take place early in 2013 based on the recommendations of the events study which will be concluded this fall.

This memo provides a summary of the recommended funding levels by type of funding. Partner agencies are funded in 2013 and 2014. Tourism grants are for 2013 only. Attachment 1 provides a detailed summary of funding recommendations by agency and funding source. Attachment 2 is a summary of the Lodging Tax Advisory Committee’s recommendation.

2013-2014 FUNDING REQUESTS AND RECOMMENDATIONS

By Funding Source	2011-2012 Approved	2013- 2014 Requested	2013-2014 Recommended
GENERAL FUND			
Partner Agency -- Ongoing	410,000	410,000	410,000
Partner Agency -- One-Time	68,000	68,000	68,000
Community Grants -- One-Time	0	0	0
Subtotal General Fund ----->	478,000	478,000	478,000

2013 FUNDING REQUESTS AND RECOMMENDATIONS

Lodging Tax	2011-2012 Approved	2013 Requested	2013 Recommended
Tourism Grants	89,800	91,370	50,000

PARTNER AGENCIES - ONGOING

BELLEVUE YMCA/KTUB

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.

Project	2012 Approved	2013 Requested	2013 Recommended	Source
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 2011, the KDA became a partner with the Kirkland Chamber of Commerce which acts as their fiscal agent and provides management and support services. KDA is funded as a partner agency at \$45,000 from the General Fund. KDA also receives Lodging Tax funds for events, which are awarded on an annual basis and are enumerated later in this report.

Project	2012 Approved	2013 Requested	2013 Recommended	Source
KDA Operations	\$45,000	\$45,000	\$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 held. 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 recommended budget continues the one-time funding of \$34,000 per year for the KPC in 2013 and 2014.

Project	2012 Approved	2013 Requested	2013/2014 Recommended	Source
KPC Operations	\$34,000	\$34,000	\$34,000	One-Time General Fund

TOURISM FUNDING- ONE-TIME ANNUAL

LITTLE LEAGUE INC. – JUNIOR SOFTBALL WORLD SERIES

The Junior Softball World Series is a week-long softball tournament involving regional all-star champions from all over the world. The event introduces people from around the world to Kirkland. It is also a major sporting event with a nationally-televised championship game. The Junior Softball World Series requested \$10,000 for event support in 2013.

Project	2012 Approved	2013 Requested	2013 Recommended	Source
Jr. Softball World Series	\$9,000	\$10,000	\$9,000	Lodging Tax Fund

KIRKLAND PERFORMANCE CENTER

The Kirkland Performance Center (KPC) provides a theater facility in which arts, entertainment and community gatherings are held. 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 \$10,000 in Lodging Tax funds.

Project	2012 Approved	2013 Requested	2013 Recommended	Source
Marketing	\$3,000	\$10,000	\$7,000	Lodging Tax Fund

BOOK PUBLISHERS NETWORK – NW BOOKFEST

Northwest Bookfest is a 2-day event that brings authors, writers, and booklovers to Kirkland. In the two previous years it has captured approximately 2,000 visitors from around the region along with 200 authors and 50 vendors who include publishers, publicists, and local writing organizations. There are adult workshops and also family-friendly performances. The funds requested will cover promotional and printing costs.

Project	2012 Approved	2013 Requested	2013 Recommended	Source
NW Bookfest	N/A	\$4,000	\$4,000	Lodging Tax Fund

KIRKLAND DOWNTOWN ASSOCIATION – SUMMERFEST

Kirkland Summerfest is a celebration of art, music and food in a festival for the whole family. The event seeks to become a “widely anticipated hub of creative and community energy.” Lodging Tax support can support regional marketing efforts.

Project	2012 Approved	2013 Requested	2013 Recommended	Source
Summerfest	\$3,000	\$12,000	\$5,000	Lodging Tax Fund

WOODMARK HOTEL – TALL SHIPS CARILLON POINT

The Woodmark is seeking to host Tall Ships for the second year following the success of the August, 2012 event. The hotel expects to draw 1,800 visitors from within 50 miles of Kirkland and 200 visitors from beyond 50 miles. The \$6,000 requested would cover costs of promoting the event. The event showcases Kirkland’s tagline “Water. Colors. Everything.”

Project	2012 Approved	2013 Requested	2013 Recommended	Source
Tall Ships	N/A	\$5,500	\$4,500	Lodging Tax Fund

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 2013.

Project	2012 Approved	2013 Requested	2013 Recommended	Source
Kirkland Uncorked	\$8,000	\$15,000	\$4,500	Lodging Tax Fund

SEATTLE INTERNATIONAL FILM FESTIVAL – SIFF KIRKLAND

The Seattle International Film festival seeks venues and partnerships for their annual festival. The festival attracts industry guests, media representatives and organizational partners that require overnight accommodations. Kirkland is prominently represented in marketing materials.

Project	2012 Approved	2013 Requested	2013 Recommended	Source
39 th Annual SIFF	\$2,500	\$5,000	\$3,500	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 \$6,000 for event support in 2013.

Project	2012 Approved	2013 Requested	2013 Recommended	Source
Classic Car Show	\$3,000	\$6,000	\$3,000	Lodging Tax Fund

PROMOTION EVENTS – 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 \$3,400 for event marketing in 2011.

Project	2012 Approved	2013 Requested	2013 Recommended	Source
Event Marketing	\$2,500	\$3,400	\$2,000	Lodging Tax Fund

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 2013 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 ticketed event which showcases the work of the local artists featured in KAST as well as locally-produced food, wine and fashion. KAC requested \$5,000 for marketing and other event support in 2013.

Project	2012 Approved	2013 Requested	2013 Recommended	Source
KAST & Lacavore	\$4,000	\$5,000	\$4,000	Lodging Tax Fund

BOLD HAT PRODUCTIONS – OKTOBERFEST

Oktoberfest is a new event at Marina Park in early October featuring German beers, family activities and fall themed celebrations. Kirkland’s heritage also will be spotlighted through partnerships with the Heritage Society, Chamber and Kirkland Arts Center. Funds will go toward promotional expenses.

Project	2012 Approved	2013 Requested	2013 Recommended	Source
Oktoberfest	N/A	\$10,000	\$1,500	Lodging Tax Fund

EARLY MUSIC GUILD AND NORTHLAKE UNITARIAN CHURCH – EARLY MUSIC FRIDAYS

The Early Music Guild presents chamber music from the Medieval, Renaissance and Baroque periods for small audiences at the Northlake Unitarian Church in Kirkland. Working with restaurant partners and others in the community, the Guild is encouraging day-time and late evening dining and pub experience for concert goers from nearby communities. The request for \$2,570 is for marketing and event support.

Project	2012 Approved	2013 Requested	2013 Recommended	Source
Early Music Fridays	\$0	\$2,570	\$1,000	Lodging Tax Fund

SEATTLE SYNCHRO – SYNCHRO SOIREE

Seattle Synchro is the most successful synchronized swim group in the Pacific Northwest. The group is requesting funding support for a synchronized swimming event that will raise funds for the group and attract out of town teams and audiences.

Project	2012 Approved	2013 Requested	2013 Recommended	Source
Synchro Soiree	\$0	\$2,900	\$1,000	Lodging Tax Fund

Attachments:

A – Funding Recommendations – Detailed Summary

B – Lodging Tax Advisory Committee’s Funding Recommendation

City of Kirkland 2013-2014 Budget
Outside Agency Funding

ATTACHMENT A

By Funding Source	2011/2012 Approved	2013/2014 Requested	2013/2014 Recommended
GENERAL FUND			
Partner Agency -- Ongoing			
Bellevue YMCA	320,000	320,000	320,000
Kirkland Downtown Association	90,000	90,000	90,000
KTUB Teen Center Operations			
Operating Support			
----->	410,000	410,000	410,000
Partner Agency -- One-time			
Kirkland Performance Center	68,000	68,000	68,000
Operating Support			
----->	68,000	68,000	68,000
----->	-	-	-
Subtotal Community Grants ----->	-	-	-
Subtotal General Fund ----->	478,000	478,000	478,000
	2012 Approved	2013 Requested	2013 Recommended
LODGING TAX FUND -- Tourism Grants			
Little League Inc.	9,000	10,000	9,000
Jr. Softball World Series			
Kirkland Performance Center	6,000	10,000	7,000
Marketing			
Book Publishers Network	4,000	4,000	4,000
NW Bookfest			
Kirkland Downtown Association	3,000	12,000	5,000
Summerfest			
Woodmark Hotel	4,800	5,500	4,500
Tall Ships Carillon Point			
Kirkland Downtown Association	3,000	6,000	3,000
Classic Car Show Marketing			
Bold Hat Productions	8,000	15,000	4,500
Kirkland Uncorked Marketing			
Seattle International Film Festival	3,000	5,000	3,500
SIFF			
Pro-Motion Events	2,500	3,400	2,000
Half Marathon & 5k			
Kirkland Arts Center	4,000	5,000	4,000
Artist Studio Tour -Lacavore			
Bold Hat Productions	-	10,000	1,500
Oktoberfest			
Early Music Guild & Northlake UU Church	-	2,570	1,000
Early Music Fridays			
Seattle Synchro	-	2,900	1,000
Synchro Soiree			
----->	47,300	91,370	50,000
TOTAL ALL FUNDING SOURCES	525,300	569,370	528,000



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MEMORANDUM

To: Marilynne Beard, Deputy City Manager
Tracey Dunlap, Finance Director

From: Ellen Miller-Wolfe, Economic Development Manager

Date: October 11, 2012

Subject: TOURISM DEVELOPMENT COMMITTEE (LTAC) FUNDING
RECOMMENDATIONS

RECOMMENDATION:

The Tourism Development Committee (TDC), which functions as Kirkland's Lodging Tax Advisory Committee, recommends that the organizations below receive funding for expenses related to 2013 programs and events at the levels specified.

BACKGROUND:

The total amount of funds requested for 2013 was \$91,370. Revenue for this year, although higher than the past two years, continues to grow at a slow pace. Last year, the Committee set aside \$50,000. This year the Committee again set aside \$50,000.

Kirkland Tourism Staff sent out applications for funding in August, 2012 and received 13 applications for funding totaling \$91,370. The TDC met on September 25th to hear presentations from the applicants. On October 11, 2012 it met again to make a final recommendation.

The Committee discussed a number of criteria in evaluating the 13 applications received: the tourism impact of the event or program and whether it generates overnight stays or daytrips; the community or business connections of the event or program; whether the event takes place in the shoulder season (Oct-May), thereby increasing tourism during a typically slow time; whether it is a new event; whether the event has the capacity and funding to succeed; and finally, whether the event shows off the Kirkland waterfront. Members rated the 13 applications individually on a number scale based on those criteria. The scores were tabulated and the totals shared with the group. The Committee then determined levels of funding based on those scores and criteria.

The Committee voted unanimously to recommend the distribution of funds as listed below:

Organization	Event	2013 Funding Requested	2013 Funding Recommended
Little League Baseball, Inc.	Junior Softball World Series	10,000	9,000
Kirkland Performance Center	Kirkland Performance Center	10,000	7,000
Book Publisher's Network	Northwest Bookfest	4,000	4,000
Kirkland Downtown Association	Summerfest	12,000	5,000
Woodmark Hotel	Tall Ships Carillon Point	5,500	4,500
Bold Hat Productions	Kirkland Uncorked	15,000	4,500
Seattle International Film Festival	Seattle International Film Festival	5,000	3,500
Kirkland Downtown Association	Classic Car Show	6,000	3,000
Pro-Motion Events, Inc.	Half Marathon & 5K	3,400	2,000
Kirkland Arts Center	KAST/Locavore	5,000	4,000
Bold Hat Productions	Oktoberfest	10,000	1,500
Early Music Guild and Northlake UU Church	Early Music Fridays	2,570	1,000
Seattle Synchro	Synchro Soiree	2,900	1,000
Total Available Funding: \$50,000		91,370	50,000