

FISCAL NOTE

CITY OF KIRKLAND

Source of Request							
Lorrie McKay, Intergovernmental Relations and Economic Development Manager							
Description of Request							
The use of up to \$6,400 from the Lodging Tax Reserves for the production and installation of exterior signage at the Downtown Visitors Center.							
Legality/City Policy Basis							
Fiscal Impact							
The use of up to \$6,400 in Lodging Tax Reserve. The reserve is able to fully fund this request							
Recommended Funding Source(s)							
<i>Reserve</i>	Description	2020 Est End Balance	Prior Auth. 2019-20 Uses	Prior Auth. 2019-20 Additions	Amount This Request	Revised 2020 End Balance	2020 Target
	Lodging Tax Reserves	156,317			(6,400)	149,917	
<i>Revenue/Exp Savings</i>							
<i>Other Source</i>							
Other Information							

Prepared By	George Dugdale, Senior Financial Analyst	Date	January 4, 2019
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CITY OF KIRKLAND

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MEMORANDUM

To: Kurt Triplett, City Manager

From: Lorrie McKay, Intergovernmental Relations and Economic Development Manager
Philly Marsh, Special Projects Coordinator

Date: January 3, 2019

Subject: RECOMMENDATION TO APPROVE FUNDING FROM LODGING TAX RESERVES
FOR AN EXTERIOR SIGN AT THE KIRKLAND VISITOR CENTER

RECOMMENDATION:

Staff recommends that the City Council accept by motion the recommendation of the Tourism Development Committee (TDC) to approve up to \$6,400 from lodging tax reserves for an exterior visitor center sign for the Kirkland Visitor Center downtown. By approving the consent calendar the Council will be authorizing the use of the TDC reserves for the visitor center sign.

BACKGROUND DISCUSSION:

The City of Kirkland contracts with the Kirkland Downtown Association to maintain Kirkland's Visitor Center and provide information about activities in Kirkland.

The TDC, which acts as the City's Lodging Tax Advisory Committee (LTAC), received a request from the Kirkland Chamber of Commerce and the Kirkland Downtown Association to fund an exterior sign at the Kirkland Visitor Center located in the Arete building in Downtown Kirkland.

The Tourism Development Committee discussed the request at its meetings on January 3, 2019 and made a unanimous recommendation to approve up to \$6,400 from lodging tax reserves for an exterior visitor center sign. (Attachment A)

Fund Balance and Reserve Policies

The budgeted reserve balance in the lodging tax reserve fund is \$305,306. This is the amount recognized and adopted by the Council during the 2019-2020 budget process.

The TDC has adopted a tourism reserve policy that recommends that the TDC not draw down reserves to more than half of the previous year's annual lodging tax revenue. Taking this into consideration, the 2019-2020 expendable Lodging Tax reserves are \$156,317. The January 3, 2019 recommendation, if approved, is permissible with the City of Kirkland and Tourism Development Committee fund reserve policy.



City of Kirkland

Tourism Development Committee (TDC) Meeting Minutes

January 3, 2019 9:00 a.m. – 10:00 a.m.

Kirkland City Hall – Norkirk Room

Present: Toby Nixon (Chair), Jac Cooper, Lori Goldfarb, Jeff Lockhart, Jim Lopez (staff) Lorrie McKay (staff), Philly Marsh (staff).

Absent: Ardene Skarban, Phil Megenhardt

Guests: Samantha St. John, Executive Director, Kirkland Chamber of Commerce, Barbie Collins-Young, Executive Director, Kirkland Downtown Association, Amanda Reeves, Development Manager, Kirkland Arts Center.

Welcome: The meeting came to order at 9:03 a.m. The Chair welcomed the committee, and everyone briefly introduced themselves. The meeting minutes from October 4, 2018 were approved (Jac moved, Jeff seconded, unanimous).

New Staff Introduction

Jim Lopez, Assistant City Manager shared staff changes including the introduction of Lorrie McKay as Intergovernmental Relations and Economic Development Manager who will now be responsible for community economic development, including overseeing the Tourism Program. A separate position has been created to focus on regional economic development.

Visitor Center Sign Request

The Chair asked Philly to introduce background on the request for funding for a Visitor Center sign. After which, Philly introduced Samantha St. John and Barbie Collins-Young to discuss a proposal to fund an exterior sign for the Kirkland Visitor Center.

Samantha explained that at the previous Visitor Center location, about 60% of the front desk receptionist's time was spent interacting directly with visitors who walked through the door. At its currently location, time spent in direct interaction with visitors at reception is at about one percent.

Samantha and Barbie shared specs and a drawing of the proposed sign, which has been approved by the building owner. The sign will be a 2-sided LED-lighted, 3'x4' Blade Sign that will be installed where the current parking sign is located on the building. The text will be "Kirkland Visitor Center" in large print with "Kirkland Downtown Association" and "Kirkland Chamber" below in smaller print.

Samantha and Barbie mentioned that the organizations plan on staying in the current location for the foreseeable future.

The estimated cost of the sign is \$5,200 + \$1,200 estimated for installation for a total of \$6,400.

Staff reported that the TDC has approximately \$130,000 in available reserves.

The TDC made a recommendation to City Council to use funding from the tourism reserve fund to pay for the Visitor Center Sign. (Lori moved, Jeff seconded, a brief discussion included a perspective that the expense could be a shared responsibility. The motion passed unanimous).

Kirkland Artist Studio Tour Proposed Changes

Amanda Reeves the Development Manager of the Kirkland Art Center explained that the Kirkland Arts Center (KAC) plans to bring the artists of the Kirkland Artist Studio Tours (KAST) to a centralized, downtown location during the 2019 Kirkland Summerfest, instead of producing the tour in May.

The Tourism Development Committee approved the change of scope and supported the use of funding previously allocated to KAC for KAST to be used for KAC art activation in conjunction with Kirkland Summerfest (Jac moved, Lori seconded, unanimous)

Bike Share Pilot Program

Jim Lopez led a TDC focus group on the City of Kirkland exploring a Bike Share Pilot Program. TDC Comments included:

- Bikes are here anyway, and a formal program will allow for the ability to control and coordinate between different cities.
- Bikes are coming regardless so we should stay out in front and be proactive versus reactive with the issue.
- Has there been a study to see what company is most effective?
- Conceptually multiple bike share companies would be good, so it doesn't seem like a monopoly, but multiple companies could pose an administrative challenge.
- A pilot program can help control the impact including the demand and supply.
- It can really help with "last mile" and is an important part of the City's transportation goals.
- From a tourism prospective Bike Share provides a last-minute decision for visitors. Bike Share can help with regional tourism mobility for both locals and visitors.
- With Bothell and Bellevue implementing programs Kirkland is a missing middle piece.
- With the opportunity and experience of the CKC and ERC it makes a lot of sense.
- It could be a major part of the visitor experience and vibe of the destination.
- Not just a utilitarian tool but an experiential activity.
- Pearl District in Portland does a great job weaving bike share into their visitor experience.
- Explore branding the bikes Explore Kirkland vs the company.
- The biggest challenge is the safety aspects – speed, helmets, narrow sidewalks.

Meeting Adjourned at 10:20 a.m.

Meeting minutes prepared by Philly Marsh

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