

City of Wenatchee
Lodging Tax Advisory Committee Meeting
Wednesday, July 27, 2022 @ Noon
AGENDA

Meeting Location: Wenatchee Valley Chamber, 137 North Wenatchee Avenue, Wenatchee WA

“We are here to guide the promotion, marketing and development of this unique community as a destination by distributing resources in a sustainable manner.”

1. Introductions
2. Approval of Minutes
3. Review of Financials (overview of hotel-motel tax receipts, STR reports, TPA ytd budget)
4. LTAC Schedule to align with review of applications w/TPA
 - Jan – Feb – March applications to be reviewed in March
 - April – May – June applications to be reviewed in June
 - July – August – September applications to be reviewed in Sept
 - October – November – December applications to be reviewed in Dec
5. Visit Wenatchee Report from the Chamber
6. Public Comment
7. Close of Meeting

City of Wenatchee
Lodging Tax Advisory Committee Meeting
Wednesday, May 25, 2022 @ Noon
MINUTES

DRAFT

“We are here to guide the promotion, marketing and development of this unique community as a destination by distributing resources in a sustainable manner.”

Present: Mark Kulaas (Chair), Linda Haglund, Kyle McCubbin, Cody Beeson, Mark Miller, Miguel Cuevas, Darci Christoferson

Staff: Laura Gloria, Brad Posenjak, Tammy Stanger, Steve Wilkinson, Jerri Barkley, Niki Fascholtz

Guests: Frank Kuntz, Freyda Stephens

1. Introductions. The meeting was held at the Wenatchee Valley Chamber of Commerce meeting room. Chair Mark Kulaas the meeting to order at 12:00 noon and everyone introduced themselves. A quorum was noted for the record.
2. Approval of 3/22/2022 Minutes and 04/27/2022 Notes

Motion by Linda Haglund to approve the 3/22/2022 Minutes and 4/27/2022 Notes. Motion seconded by Kyle McCubbin. Motion carried.

3. Wenatchee Convention Center Remodel LTAC Request. Laura Gloria presented a Power Point presentation providing an update on the convention center remodel project and timeline for design work (estimated cost of \$341,145). The team has chosen ALSC Architects. A kickoff meeting will be held in June.
4. Review of LTAC Financials. Brad Posenjak handed out updated financial spreadsheets (including Hotel/Motel Revenue Flow Chart; Actual Hotel/Motel Revenue Received – 10 Years – through March 2022; History, Current Budget and Five Year Projection; Convention Center Remodel – Debt Capacity at March 2024; and Convention Center Remodel – Debt Capacity Summary).

The change in ytd revenues is +37% over last year. He anticipates a 10% to 30% increase at end of year over 2021. For the History, Current Budget and Five Year Projection he assumes 2022 increase of 10% and future years conservatively at 3%. With a 20-year debt rate at 4%, and 3% revenue growth rate after 2022 (and 3% growth in expenses), only using hotel/motel funds, he is comfortable with the conservative amount of a \$13,500,000 project budget for the convention center remodel project.

Motion by Linda Haglund to recommend to the City Council to proceed with the convention center remodel predesign costs in the approximate \$350,000. Motion seconded by Cody Beeson. Motion carried.

5. LTAC Applications “Ad Hoc” Update. Jerri Barkley provided an update on the “Ad Hoc” committee who recently met. The committee discussed their responsibilities to guide how the budgeted funds are spent, and the criteria for the funds being awarded. The funding application has been placed on the website. They have a \$5,000 request for the Sterling Invite that has not yet been

decided on; the Rotary Convention requested \$40,000, and that was denied as the request would wipe out the entire budget; Tour de Bloom was awarded \$5,000 (Jerri will report on that at a future meeting); the La Terraza event was awarded \$5,000; and there is a pending application from Pybus for a Fall Festival the weekend of Labor Day. Jerri also indicated that the Fourth of July event planners have requested additional funding of \$5,000. The Mayor indicated that the City would assist with that request.

6. Chamber Report. Jerri Barkley provided the Chamber update:

- The Chamber has two new hires (Niki Fasholtz and new Tasting Room Manager Haley).
- Datafy presented to TPA last week.
- She has secured a 5-year contract with Triple Crown.
- Two travel writers have visited in the last month (from Outdoors NW).
- The Chamber hosted the Goodfellows Brothers event during Apple Blossom.
- Steve Wilkinson provided spreadsheets breaking down the STR report showing an overall increase in rooms available, demand, occupancy, average daily rate, revenue per available room, and revenue overall (the data supports Brad's projections).

7. Discussion.

- The Mayor has been in discussions with the Performing Arts Center regarding the Convention Center remodel project.
- The Mayor hopes to see Coast Hospitality invest in upgrades for the Coast Hotel with the Convention Center undergoing a \$13,500,000 remodel. Coast Hospitality currently manages the Convention Center.
- Apple Blossom occupancy was up and there were quite a few cyclists who stayed in town.
- Mark Miller stated that the Town Toyota Center's expenses have increased 30%. And the rodeo sold out.

8. Close. With no further business the meeting adjourned at 1:00 p.m.

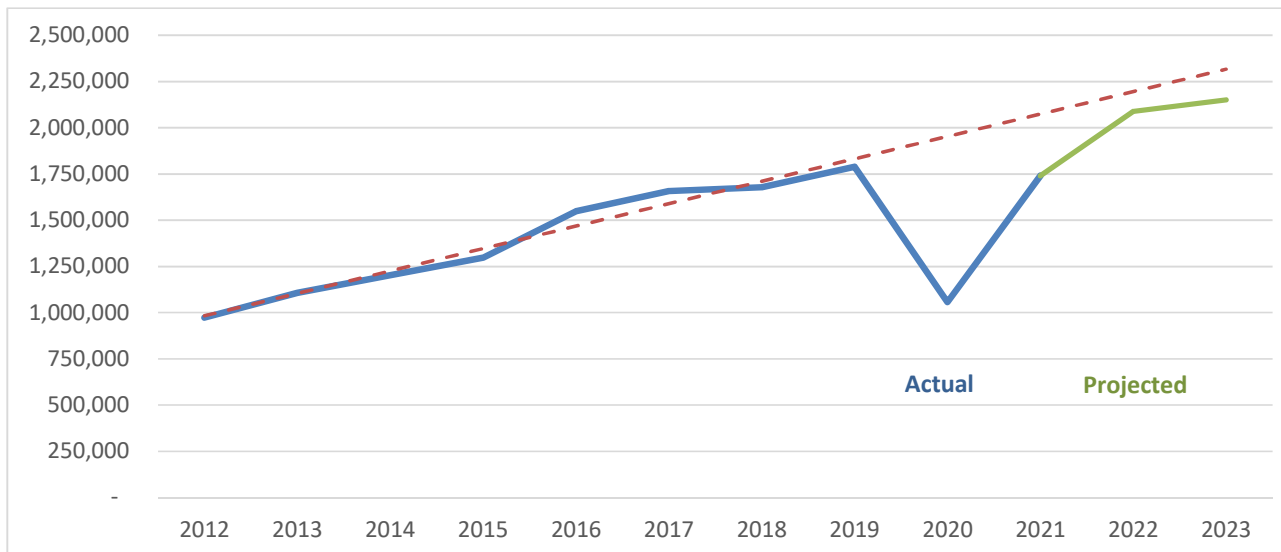
Lodging Tax Advisory Committee

Actual Hotel/Motel Revenue Received - 10 Years

6% Tax authorized via Ord. #2160, #3137, #97-12 & #98-44

Month Collected	Month Received	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2022/2021 Difference	
January	March	103,743	91,273	97,994	106,682	87,518	90,616	76,746	65,016	59,079	54,117	12,469	13.7%
February	April	142,912	85,269	65,772	90,793	81,902	98,206	79,080	68,466	68,219	60,229	57,643	67.6%
March	May	137,289	102,006	54,640	116,308	120,894	123,395	97,828	97,258	86,598	78,282	35,283	34.6%
April	June	142,209	105,662	46,137	130,637	126,049	131,614	114,824	104,220	97,128	88,869	36,546	34.6%
May	July	187,874	143,137	53,795	166,294	146,323	147,620	125,398	128,979	116,960	100,521	44,737	31.3%
June	August		187,749	85,724	206,299	160,714	164,452	160,936	134,662	128,011	115,363		
July	September		209,995	125,025	209,636	188,033	189,102	178,517	139,593	134,845	124,865		
August	October		232,779	143,590	203,527	208,481	182,847	162,347	135,439	140,423	127,911		
September	November		173,871	114,035	150,073	155,973	154,296	168,483	127,446	109,621	108,084		
October	December		137,976	100,991	154,585	171,019	143,213	146,711	119,418	117,355	104,630		
November	January		104,058	68,489	102,056	96,464	91,415	92,185	68,846	59,754	56,965		
December	February		166,394	100,718	152,321	135,594	141,423	145,786	109,134	84,430	88,240		
Total Collections		714,026	1,740,170	1,056,911	1,789,211	1,678,965	1,658,198	1,548,840	1,298,476	1,202,423	1,108,075	186,679	35.4%

Budget	1,600,000	1,500,000	1,850,000	1,812,500	1,721,250	1,752,650	1,402,120	1,180,000	1,149,091	977,058
Change in YTD revenues	35.4%	64.6%	-40.9%	6.6%	1.3%	7.1%	19.3%	8.0%	8.5%	13.9%
% of budget collected	44.6%	116.0%	57.1%	98.7%	97.5%	94.6%	110.5%	110.0%	104.6%	113.4%



Note:
Several months of collections from a hotel were delayed. This results in February 2022 revenues being overstated, and November 2021 through January 2022 being understated.

Lodging Tax Advisory Committee
History, Current Budget, and Five Year Projection
As of 7/22/2022

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2022 Actual YTD	2023 Projection	2024 Projection	2025 Projection	2026 Projection	2027 Projection
Hotel/Motel Tax Revenues										
Convention Center Debt (20%)	357,763	211,380	347,814	320,000	142,805	430,170	443,075	456,367	470,058	484,160
Convention Center O&M (40%)	643,256	283,218	667,933	640,000	285,610	860,340	886,150	912,735	940,117	968,320
Conv. Center Debt Service Shortfall	72,349	139,543	27,915	-	-	-	-	-	-	-
Lodging Tax Advisory Committee (40%)	715,843	422,761	696,508	640,000	285,610	860,340	886,150	912,735	940,117	968,320
Total Hotel/Motel Tax Revenues	1,789,211	1,056,901	1,740,170	1,600,000	714,026	2,150,850	2,215,375	2,281,837	2,350,292	2,420,800
LTAC Expenses										
Addl. Debt Pmts - Approved 2015	50,000	50,000	50,000	50,000	25,000	50,000	50,000	-	-	-
Addl. Debt Pmts - Approved 2018	25,000	-	-	50,000	25,000	50,000	-	-	-	-
Wenatchee Valley Chamber	484,100	456,833	415,000	445,000	222,500	458,350	472,101	486,264	500,851	515,877
Fourth of July Fireworks	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Other Projects *	165,672	-	15,482	-	-	-	-	-	-	-
Special Olympics	-	-	-	20,000	-	20,000	20,000	20,000	20,000	20,000
Total LTAC Expenses	754,772	536,833	510,482	595,000	302,500	608,350	572,101	536,264	550,851	565,877
Other LTAC Revenue (Interest)	4,914	1,862	671	100	413	500	500	500	500	500
Net LTAC Income	(34,015)	(112,210)	186,697	45,100	(16,476)	252,490	314,550	376,971	389,765	402,943
LTAC Beginning Fund Balance	296,884	262,869	150,659	337,356	337,356	382,456	634,946	634,946	949,496	1,011,917
LTAC Ending Fund Balance	262,869	150,659	337,356	382,456	320,880	634,946	949,496	1,011,917	1,339,261	1,414,861

Notes:

2022 Actual YTD - revenues report five months of collections while most expenses report six months. This catches up at year-end.

2023-2027 Projection - assumes 2022 revenues increase by 30% and future years increase by 3%.

Date Created: Jul 16, 2022

Wenatchee Valley Chamber of Commerce

For the Month of June 2022



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Tab 2 - Multi-Segment

Wenatchee Valley Chamber of Commerce

For the month of: June 2022

	Current Month - June 2022 vs June 2021												Year to Date - June 2022 vs June 2021												Participation			
	Occ %		ADR		RevPAR		Percent Change from June 2021						Occ %		ADR		RevPAR		Percent Change from YTD 2021						Properties		Rooms	
	2022	2021	2022	2021	2022	2021	Occ	ADR	RevPAR	Room Rev	Room Avail	Room Sold	2022	2021	2022	2021	2022	2021	Occ	ADR	RevPAR	Room Rev	Room Avail	Room Sold	Census	Sample	Census	Sample
Wenatchee+	71.6	68.2	123.16	108.10	88.22	73.73	5.0	13.9	19.6	33.2	11.3	16.9	57.0	55.0	103.43	90.23	58.91	49.58	3.6	14.6	18.8	31.2	10.4	14.5	23	17	1868	1617
Chelan County, WA	72.1	68.6	146.25	136.28	105.39	93.42	5.1	7.3	12.8	20.1	6.5	11.9	55.8	52.9	122.41	111.56	68.31	58.99	5.5	9.7	15.8	24.1	7.2	13.1	60	19	3215	1804
Bellevue, WA+	79.3	53.4	214.60	122.76	170.17	65.50	48.6	74.8	159.8	158.2	-0.6	47.7	55.9	36.4	174.05	99.71	97.25	36.32	53.4	74.5	167.7	166.9	-0.3	52.9	26	25	5240	5216
Everett, WA+	76.5	68.4	121.99	91.65	93.26	62.67	11.8	33.1	48.8	48.8	0.0	11.8	65.2	57.4	100.21	77.80	65.32	44.68	13.5	28.8	46.2	46.2	0.0	13.5	24	19	2200	1977
Lynnwood, WA+	81.3	69.6	148.98	104.71	121.17	72.86	16.9	42.3	66.3	66.3	0.0	16.9	62.9	53.7	120.78	89.33	75.92	47.94	17.1	35.2	58.4	58.4	0.0	17.1	14	12	1610	1520
Tri-Cities+	80.0	72.9	126.35	98.93	101.03	72.09	9.7	27.7	40.1	20.0	-14.4	-6.0	65.7	53.9	109.78	87.98	72.09	47.42	21.8	24.8	52.0	31.9	-13.2	5.7	42	33	3760	3380
Vancouver, WA+	70.9	77.1	140.57	114.70	99.69	88.45	-8.0	22.6	12.7	24.1	10.1	1.2	66.8	65.0	121.61	95.86	81.22	62.31	2.8	26.9	30.4	36.4	4.6	7.5	31	29	3016	2879
Yakima+	67.0	66.1	111.67	95.97	74.77	63.44	1.3	16.4	17.9	9.6	-7.0	-5.8	54.5	50.3	104.08	85.86	56.71	43.23	8.2	21.2	31.2	22.1	-6.9	0.7	30	17	2307	1516

A blank row indicates insufficient data.

Tab 3 - Multi-Seg Raw

Wenatchee Valley Chamber of Commerce

For the Month of June 2022

	Current Month - June 2022 vs June 2021									Year to Date - June 2022 vs June 2021								
	Supply			Demand			Revenue			Supply			Demand			Revenue		
	2022	2021	% Chg	2022	2021	% Chg	2022	2021	% Chg	2022	2021	% Chg	2022	2021	% Chg	2022	2021	% Chg
Wenatchee+	56,040	50,340	11.3	40,139	34,337	16.9	4,943,570	3,711,811	33.2	332,438	301,052	10.4	189,356	165,441	14.5	19,584,671	14,927,640	31.2
Chelan County, WA	96,450	90,570	6.5	69,505	62,088	11.9	10,165,326	8,461,081	20.1	574,530	536,018	7.2	320,611	283,443	13.1	39,246,754	31,619,696	24.1
Bellevue, WA+	157,200	158,190	-0.6	124,655	84,396	47.7	26,750,375	10,360,748	158.2	948,440	951,248	-0.3	529,951	346,527	52.9	92,237,607	34,553,822	166.9
Everett, WA+	66,000	66,000	0.0	50,457	45,132	11.8	6,155,061	4,136,258	48.8	398,200	398,200	0.0	259,586	228,670	13.5	26,011,852	17,790,332	46.2
Lynnwood, WA+	48,300	48,300	0.0	39,286	33,608	16.9	5,852,661	3,519,162	66.3	291,410	291,410	0.0	183,172	156,384	17.1	22,122,915	13,970,264	58.4
Tri-Cities+	112,800	131,700	-14.4	90,196	95,971	-6.0	11,396,593	9,494,849	20.0	689,560	794,590	-13.2	452,802	428,308	5.7	49,708,050	37,681,284	31.9
Vancouver, WA+	90,480	82,200	10.1	64,169	63,390	1.2	9,019,995	7,270,548	24.1	522,886	499,657	4.6	349,234	324,760	7.5	42,469,441	31,132,350	36.4
Yakima+	69,210	74,400	-7.0	46,343	49,179	-5.8	5,175,039	4,719,637	9.6	417,718	448,880	-6.9	227,593	225,992	0.7	23,688,676	19,403,754	22.1

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Tab 4 - Response Chelan Co, WA

Wenatchee Valley Chamber of Commerce
For the Month of June 2022

Table with columns: STR Code, Name of Establishment, City & State, Zip Code, Aff Date, Open Date, Rooms, Chg in Rms, and monthly data for years 2020, 2021, and 2022 (months J, F, M, A, M, J, J, A, S, O, N, D).

Total Properties: 66

3365

- o - Monthly data received by STR
● - Monthly and daily data received by STR

Tab 4 - Response Chelan Co, WA

Wenatchee Valley Chamber of Commerce
For the Month of June 2022

STR Code	Name of Establishment	City & State	Zip Code	Aff Date	Open Date	Rooms	Chg in Rms	2020												2021												2022											
								J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
								Blank - No data received by STR																																			
								Y - (Chg in Rms) Property has experienced a room addition or drop during the time period of the report																																			

A blank row indicates insufficient data.

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Tab 7 - Response Lynnwood, WA+

Wenatchee Valley Chamber of Commerce
For the Month of June 2022

STR Code	Name of Establishment	City & State	Zip Code	Aff Date	Open Date	Rooms	Chg in Rms	2020												2021												2022																																												
								J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D																																	
22298	Americas Best Value Inn Lynnwood Seattle	Lynnwood, WA	98036	Nov 2015	Feb 1992	42		○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●									
23626	Best Western Alderwood	Lynnwood, WA	98036	Nov 2002	Jun 1990	137		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●																													
38164	Courtyard Seattle North Lynnwood Everett	Lynnwood, WA	98036	Jun 1999	Jun 1999	164		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●																												
9285	Embassy Suites by Hilton Seattle North Lynnwood	Lynnwood, WA	98036	Jul 1992	Jul 1992	240		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●																											
36154	Extended Stay America Seattle - Lynnwood	Lynnwood, WA	98036	Feb 1998	Feb 1998	109		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●																										
37159	Hampton by Hilton Inn Seattle North/Lynnwood	Lynnwood, WA	98036	Oct 1998	Oct 1998	152		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●																								
68060	Hilton Garden Inn Seattle/Lynnwood	Lynnwood, WA	98036	Jun 2020	Jun 2020	154																																																																						
59650	Holiday Inn Express & Suites Seattle North Lynnwood	Lynnwood, WA	98036	Feb 2010	Feb 2010	80		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●																									
3758	Hotel International	Lynnwood, WA	98036	Jun 1982	Jun 1982	53																																																																						
3759	La Quinta Inns & Suites Lynnwood	Lynnwood, WA	98036	Jan 2004	Jun 1977	101		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	○	○	○	○	○	○	○	○	○	○																									
34654	Super 8 Lynnwood	lynnwood, WA	98036	Mar 2020	Mar 1997	51	Y	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●																									
62781	Homewood Suites by Hilton Lynnwood Seattle Everett	Lynnwood, WA	98037	May 2014	May 2014	170		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●																							
46936	Lynnwood Motor Inn	Lynnwood, WA	98037	Mar 1997	Mar 1997	37		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●																							
15138	Residence Inn Seattle North Lynnwood	Lynnwood, WA	98037	May 1987	May 1987	120		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●																							
74376	Closed - Court Of Monte Cristo	Lynnwood, WA	98087	Jul 2005	Jan 1950	0																																																																						
Total Properties:						15	1610	○ - Monthly data received by STR ● - Monthly and daily data received by STR Blank - No data received by STR Y - (Chg in Rms) Property has experienced a room addition or drop during the time period of the report																																																																				

A blank row indicates insufficient data.

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