

City of Wenatchee
Lodging Tax Advisory Committee/Tourism Promotion Area Board
Joint Meeting

AGENDA

Wenatchee City Hall
301 Yakima Street
Wenatchee, WA 98801

Wednesday, December 14, 2022

Noon

“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 – Joint Meeting Opening
2. Joint Agenda:
 - a. Approval of Joint Meeting Minutes
 - b. Revitalize WA Post-Event Report – Linda Haglund
 - i. Events Funding Update – Laura Gloria
 - ii. Discuss future reporting metrics – Laura Gloria
 - c. Sports Tourism Position Update – Laura Gloria
 - d. Visit Wenatchee Update
 - i. Datafy Update – Ashley Sinner
3. LTAC:
 - a. Review of LTAC Financials
4. TPA:
 - a. Review of TPA Financials
5. 2023 Meeting Schedule
6. Discussion
7. Adjourn

City of Wenatchee
Lodging Tax Advisory Committee/Tourism Promotion Area Board
Joint Meeting

DRAFT

MINUTES

Wenatchee Valley Chamber of Commerce
137 North Wenatchee Avenue
Wenatchee, WA 98801

Wednesday, October 26, 2022
Noon

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

LTAC Present: Mark Kulaas (Chair), Darci Christoferson, Kristin Lodge, Kyle McCubbin, Mark Miller, Miguel Cuevas

TPA Present: Freyda Stephens (Chair), Mike Poirier

Staff: Laura Gloria, Brad Posenjak, Tammy Stanger, Ashley Sinner

Guests: Jerrilea Crawford, Trina Elmes, Katrina Williams, Lauren Stephens

1. Introductions – Joint Meeting Opening. The meeting began shortly after 12:00pm. A quorum was not present for TPA.
2. Joint Agenda:
 - a. Approval of Joint Meeting Minutes *[continued to next joint meeting due to lack of quorum of the TPA]*
 - b. Review of Draft Tourism Funding Application – Laura Gloria provided an overview of the draft Tourism Funding Application and members provided their suggested edits.
 - c. North Central Washington Tourism Workspace – Laura Gloria will be attending the December 6 and 7 event in Twisp and invited anyone else who was interested to also attend.
 - d. Visit Wenatchee Update
 - i. KW Media 2021 Advertising Efforts Report. Katrina Williams and Lauren Stephens with KW Media provided the group with handouts that included: 2022 Media Calendar, the 2022 Advertising Strategy, and 2023 Media Planning Brief. The planning brief was updated for 2023 to bring both awareness and more events to the advertising efforts, a slight change in the target audience (Canadians, cultural travelers, golf), and to advertise in more than just the Puget Sound Area. Additional discussion will be needed concerning billboards.

- ii. Datafy Update – Ashley Sinner provided a handout to the committees but there was not enough time to review thoroughly.

3. LTAC:

- a. Review of LTAC Financials. Brad Posenjak provided an overview of the financials. Receipts were strong the first part of the year, and are now down and would need to average 11.5% for the remainder of the year to stay on track with his early projection.
- b. LTAC Debt/Capital Budget Update– Brad Posenjak provided an overview on the convention center project financing, with the current economy and interest rates coming in at 6% for that, a change has been made to the budget to not pay off the current debt (which is at a 2% interest rate), but rather continue to make payments, which will leave a larger reserve balance, which will in turn decrease the financed amount needed by \$1 million.
- c. Rails & Ales \$18k Request – Laura Gloria provided information for the Rails & Ales request for funding. After meeting with the event organizer for the event, they are requesting \$18,000 in funding support for the event. An in-depth conversation was had concerning the request and after deliberation a motion was made.

Motion by Kristin Lodge to reimburse up to \$18,000 for the Rails & Ales event, with the stipulation that a budget showing the breakdown of costs and sponsorships is provided to the committee after the event. Darci Christoferson seconded the motion. Motion carried.

4. TPA:

- a. Review of TPA Financials [*continued to next meeting due to a lack of quorum*].

5. Discussion. None.

6. Adjourn. The meeting adjourned at 2:05 p.m.



TPA Board and City Of Wenatchee

November 7, 2022

This is my after event wrap up and report back for the TPA funds we received for RevitalizeWA Main Street Conference here.

Date of Conference: October 19-21

Amount Received: \$2000.00 for out of area marketing

As you know, we have been trying to host this conference since Spring 2020. The Washington State Main Street staff along with the staff from the Washington Trust for Historic Preservation were unsure about the success of this conference in light of the last two years of COVID cancellation. Final Numbers:

1. 270 Attendees
2. Many came in the night before to aid with travel.
3. After event survey revealed that (100 plus took the survey report back)
 - a. Attached is the list of amount spent. We provided a coupon book that were all handed out but the attendees told many merchants, "thanks for the coupon but I don't need it". Some told me it was the best day all Fall and with smoke, it was a welcomed boost to sales.
 - b. 42.9 percent stayed 3 nights
 - c. 57.1 stayed 2 nights
 - d. The Trust had their meetings for Friday evening and Saturday extending 4 percent an additional day
 - e. 87% said they were highly satisfied with the location of Wenatchee
 - f. 81% said they were highly satisfied with the hospitality
 - g. In the additional comments many said they had never been to Wenatchee or it has been a very long time. They would love to return seeing all the changes in the community.
4. Even with the smoke, they were happy being here. Spent a lot of money and loved the hospitality they felt here.

I think you would agree that the \$2000.00 investment in this conference to market it was money well spent.

Thank you for carrying it over since 2020 so we could host.

Attachments of Spending and post cards sent with funds received.

Sincerely,

Linda Haglund
Executive Director

Our mission is to strengthen and enrich the downtown experience.

www.WENDOWNTOWN.org

103 Palouse Street, Suite 35 | Wenatchee, WA 98801 | 509-662-0059

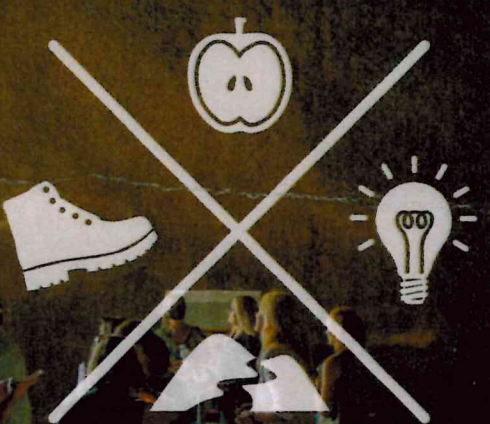
REVITALIZE WA

WENATCHEE

OCTOBER 19-21, 2022

REVITALIZE WA

WENATCHEE



REGISTRATION IS OPEN!

REVITALIZE WA

OCTOBER 19-21 • WENATCHEE

Registration is now open for RevitalizeWA 2022! Join us on October 19-21 to learn about sustainable growth for historic neighborhoods, discuss how community organizations can meet the growing demand and interest in our work, and take a critical look at how decisions are made and resources allocated.

In addition to three days of compelling panels and speakers, you'll have the chance to explore wonderful Wenatchee through interactive field sessions, with options ranging from a hike in the foothills to hands-on exploration of Pybus Public Market and tastings and discussion with local craft beverage-makers. You can sign up for these field sessions when you register to attend the conference. Sign-up early for Early Bird Pricing!

For registration, an at-a-glance schedule, and lodging information, visit:

PRESERVEWA.ORG / REVITALIZEWA

THANK YOU TO OUR PARTNERS:



Questions? Contact Andrea Christensen at andrea@preserveva.org or 206-624-9449.

Washington Trust for
Historic Preservation
1204 Minor Ave
Seattle, WA 98101

REVITALIZE WA

OCTOBER 19-21 • WENATCHEE

ANNOUNCING: JAEBADIAH GARDNER



At this year's RevitalizeWA conference, we're thrilled to share that Jaebadiah Gardner, CEO of GardnerGlobal, Inc., will present a keynote address during the opening plenary on Wednesday, October 19! In his keynote address, Jaebadiah will explore examples of community ownership models and attempt to rewire our thinking around creating accessible, sustainable real estate projects that provide opportunities for individuals from their communities to participate in building wealth.

Jaebadiah's keynote address will take place during the conference's opening plenary on Wednesday, October 19 at 4:30 pm. Access to the opening plenary is included as part of conference registration.

Don't forget: early bird registration is set at \$200, saving you \$50 on registration until August 31. Make sure to add your field sessions and a ticket to our Excellence on Main celebration to your order too!

PRESERVEWA.ORG / REVITALIZEWA

THANK YOU TO OUR PARTNERS:



Washington Trust for
Historic Preservation
1204 Minor Ave
Seattle, WA 98101

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PERMIT #3063

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LINDA HAGLUND
WENATCHEE DOWNTOWN ASSOCIATION
103 PALOUSE ST STE 35
WENATCHEE WA 98801-2251



Front: Wenatchee Downtown Association's Possibilities Tour gives community members a chance to tour vacant properties and to connect with property owners to find out what is

Conference Evaluations – Full Text

How much did you spend while visiting Wenatchee (exclude conference registration and lodging but include meals, retail items, or paid experiences such as non-conference tours)?

- \$60
- \$600
- \$180
- \$450
- \$250
- \$20
- \$225
- 715.68
- \$225 ish
- 400
- \$100
- \$600.00 approximately
- \$300
- 300
- 200
- 450
- \$200
- \$1,600.00
- 500
- Every evening
- \$200
- \$400
- \$100
- \$200
- \$100
- \$200
- \$300
- \$60
- \$100
- \$100
- \$200
- \$250
- \$250
- \$85
- \$600
- \$0
- \$100
- \$100
- \$300

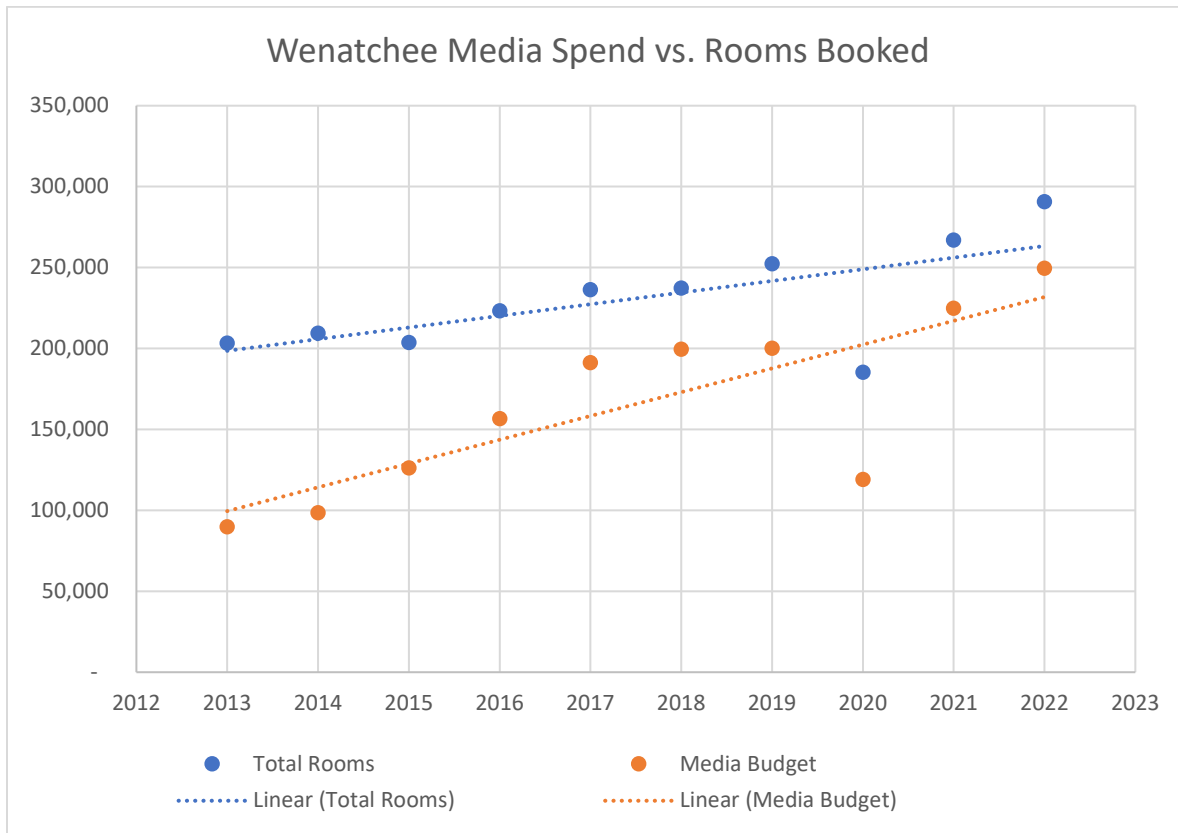
- \$250
- \$450
- \$400
- \$400 - happy to send too much :)
- \$400
- \$150
- \$250
- \$150
- \$300
- \$50
- \$500
- \$100
- \$150
- \$200
- \$500
- \$430
- \$500
- \$300
- \$200+
- \$200
- \$50
- \$450
- 100-150
- \$200
- \$200
- \$1,000
- \$250
- \$300.00? coupons were def an incentive!
- 130
- None
- 300
- \$250
- \$500
- 400
- \$600
- \$350
- \$150
- Maybe \$300
- 200
- \$300.00
- \$500
- \$150
- Not sure

- 150
- \$500.00
- \$250
- \$300ish
- \$100
- 200
- \$600
- none
- 150

WENATCHEE MEDIA SPEND & ROOMS BOOKED

As of 11/1/22

There does appear to be a tight correlation between the increase in media spend and hotel rooms booked year to year. In the scatter chart below, its apparent both annual media spend, and annual rooms booked increase at similar rates. It does appear that media spend is increasing slightly faster year over year than rooms booked, but we still see a tight correlation between the two data sets.



Notes:

For 2022, we projected the September-December rooms booked values by applying the same Year over year increase we saw the first 8-months of the year (9% increase over 2021).

Note the significant drop in both media spend and rooms in 2020 due to COVID.

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022*
Total Rooms	203,366	209,526	203,698	223,280	236,378	237,494	252,414	185,406	267,045	290,828
MEDIA BUDGET	90,000	98,545	126,276	156,755	191,386	199,600	200,318	119,167	225,000	249,574
Print	46,625	29,240	47,549	46,510	49,561	28,065	30,946	17,362	10,052	10,454
Radio		7,847								
Digital Audio						20,000	20,000		30,700	38,700
Billboards		30,000	30,000	45,009	60,800	71,050	71,050	71,050	101,500	101,175
Digital Banners	43,375	30,165	41,681	34,008	41,025	20,000	20,000	3,000	16,948	18,000
Digital Video			4,100	26,828	22,000	23,000	22,385	6,500	20,000	34,000
Social		1,293	2,946	4,400	6,000	9,485	13,496	5,080	25,500	25,445
Google Search					12,000	18,000	17,441	11,175	15,300	16,800
Contingency						10,000	5,000	5,000	5,000	5,000

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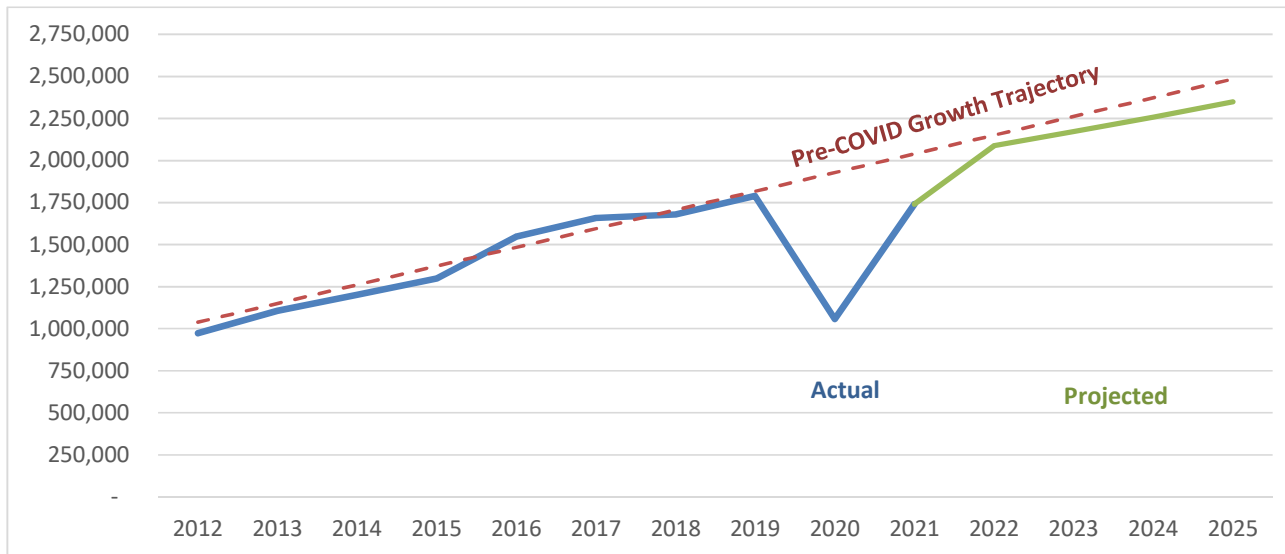
Lodging Tax Advisory Committee

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	110,318	91,273	97,994	106,682	87,518	90,616	76,746	65,016	59,079	54,117	19,045	20.9%
February	April	136,337	85,269	65,772	90,793	81,902	98,206	79,080	68,466	68,219	60,229	51,068	59.9%
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	143,362	105,662	46,137	130,637	126,049	131,614	114,824	104,220	97,128	88,869	37,700	35.7%
May	July	192,968	143,137	53,795	166,294	146,323	147,620	125,398	128,979	116,960	100,521	49,831	34.8%
June	August	233,574	187,749	85,724	206,299	160,714	164,452	160,936	134,662	128,011	115,363	45,825	24.4%
July	September	246,768	227,677	125,025	209,636	188,033	189,102	178,517	139,593	134,845	124,865	19,091	8.4%
August	October	241,919	215,097	143,590	203,527	208,481	182,847	162,347	135,439	140,423	127,911	26,822	12.5%
September	November	218,089	173,871	114,035	150,073	155,973	154,296	168,483	127,446	109,621	108,084	44,218	25.4%
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		1,660,624	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	328,882	24.7%

Budget	2,000,000	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	24.7%	64.6%	-40.9%	6.6%	1.3%	7.1%	19.3%	8.0%	8.5%	13.9%



Lodging Tax Advisory Committee

Financial Overview

As of 12/9/2022

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2022 Actual YTD	2023 Budget	2024 Projection	2025 Projection	2026 Projection	2027 Projection
Hotel/Motel Tax Revenues										
Convention Center Debt (20%)	357,763	211,380	347,814	400,000	332,125	430,000	447,000	465,000	483,600	503,000
Convention Center O&M (40%)	715,605	422,761	695,848	800,000	664,250	860,000	894,400	930,000	967,200	1,006,000
Lodging Tax Advisory Comm. (40%)	715,843	422,761	696,508	800,000	664,250	860,000	894,400	930,000	967,200	1,006,000
Total Hotel/Motel Tax Revenues	1,789,211	1,056,901	1,740,170	2,000,000	1,660,624	2,150,000	2,236,000	2,325,000	2,418,000	2,515,000
LTAC Expenses										
Wenatchee Valley Chamber	484,100	456,833	415,000	445,000	407,917	229,315	236,194	243,280	250,579	258,096
Fourth of July Fireworks	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Special Olympics	-	-	-	20,000	-	20,000	20,000	20,000	20,000	20,000
Other Projects/Applications	165,672	-	15,482	-	-	100,000	100,000	100,000	100,000	100,000
Convention Center Debt Assistance	75,000	50,000	50,000	100,000	91,667	400,000	400,000	400,000	400,000	400,000
Convention Center Remodel Design	-	-	-	355,000	212,827	-	-	-	-	-
LTAC Total Expenses	754,772	536,833	510,482	950,000	742,410	779,315	786,194	793,280	800,579	808,096
LTAC Other Revenue (Interest)	4,914	1,862	671	100	1,525	3,000	3,000	3,000	3,000	3,000
LTAC Net Income	(34,015)	(112,210)	186,697	(149,900)	(76,636)	83,685	111,206	139,720	169,621	200,904
LTAC Beginning Fund Balance	296,884	262,869	150,659	337,356	337,356	187,456	271,141	382,347	522,067	691,688
LTAC Ending Fund Balance	262,869	150,659	337,356	187,456	260,720	271,141	382,347	522,067	691,688	892,592

Notes:

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

2023 Budget-2027 Projection assumes 2022 revenues increase by 20% and future years increase by 4%.

Tourism Promotion Area

Actual Revenue Received - 10 Years

\$2 per room per night - Ord. 2020-29 (Effective 4/1/21)

Month Collected	Month Received	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2022/2021 Difference	
January	March	32,630	17,766	16,280	15,234	13,930	13,539	12,871	11,825	11,690	12,030	14,864	83.7%
February	April	40,740	15,661	10,540	14,179	12,439	14,406	13,145	11,911	12,633	12,232	25,079	160.1%
March	May	41,365	19,523	10,173	17,745	18,434	20,922	15,888	16,471	16,248	15,979	21,842	111.9%
April	June	43,349	37,902	9,011	19,732	17,922	19,428	17,155	15,636	18,431	16,198	5,446	14.4%
May	July	53,162	43,012	10,289	23,607	23,298	21,498	18,181	19,499	20,227	18,255	10,149	23.6%
June	August	58,356	51,124	15,425	26,639	21,321	22,444	23,182	20,676	22,401	19,911	7,232	14.1%
July	September	61,672	62,315	20,440	27,237	24,879	24,917	24,397	20,873	22,171	21,652	(643)	(1.0%)
August	October	62,360	61,338	22,139	26,337	26,794	24,571	23,928	21,179	22,652	22,483	1,021	1.7%
September	November	55,140	48,212	18,839	21,944	21,263	21,418	23,078	19,541	19,067	19,552	6,928	14.4%
October	December		40,567	19,013	21,702	22,746	19,636	20,001	17,454	18,570	18,155		
November	January		37,175	13,824	16,315	15,132	13,675	13,532	12,405	11,068	10,921		
December	February		46,544	19,433	21,743	19,336	19,924	17,922	16,228	14,368	15,998		
Total Collections		448,772	481,140	185,406	252,414	237,494	236,378	223,280	203,698	209,526	203,366	91,919	25.8%
Budget		450,000	375,000	250,000	250,000	235,780	235,780	222,000	200,000	200,000	199,808		
Change in YTD revenues		25.8%	159.5%	-26.5%	6.3%	0.5%	5.9%	9.6%	-2.8%	3.0%	7.5%		

Revised 2022 Projection: 586,087
(based on pre-covid collection rates)

2022/2021 Difference
All things equal: 9.7%

Notes:

Several months of collections from one hotel were posted in February 2022. This overstates February 2022 revenues and slightly understates November 2021 through January 2022 revenues.

Tourism Promotion Area

Financial Overview

As of 12/9/2022

	2021 Actual	2022 Budget	2022 Actual
Revenues			
Tourism Promotion Area fee	481,140	450,000	448,772
Interest/Miscellaneous	1,040	450	2,557
Total Revenues	482,179	450,450	451,329
Expenses			
Marketing Oversight (Chamber)	11,250	11,250	2,210
Agency Contract Work (ad agency)	17,500	25,000	12,045
Advertising Support			
Business plan advertising	221,860	250,000	212,337
Media opportunity buys	2,495	10,000	10,203
Convention Center Support	-	4,000	-
Strategic Plan	2,000	-	10,250
Community Event Fund Support			
WDA Revitalization WA	-	2,000	2,000
TREAD	5,000	4,000	-
Upgrade Area Videos	-	3,000	-
Assist Chamber with 4th July Event	175	15,000	-
Unallocated-potential new events	8,050	54,813	-
Chamber Destination Marketing	-	61,437	-
Travel Writers	4,276	8,000	1,961
Downtown Lights for Visitors	1,000	1,500	-
Total Expenses	273,606	450,000	251,006
Revenues greater (less) than expenses	208,573	450	200,322
Beginning Fund Balance	140,668	349,241	349,241
Estimated Ending Fund Balance	349,241	349,691	549,564

Tourism Promotion Area
Invoice Review
Invoices processed during November 2022

Inv #	Invoice Date	Vendor	Category	Amount
24711	11/10/2022	WVCC - Univox	Business plan advertising	12,000.00
		WVCC - Lamar	Business plan advertising	17,300.00
		WVCC - Audacy	Business plan advertising	4,500.00
		WVCC - Ohme Gardens	Travel Writers	8.00
		WVCC - Stones Gastropub	Travel Writers	65.00
		WVCC - DynAdmic	Business plan advertising	8,168.40
		WVCC - KW Media	Marketing Oversight (Chamber)	650.00
		WVCC - KW Media	Agency Contract Work (ad agency)	1,300.00
		WVCC - KW Media	Business plan advertising	5,800.00
24712	11/10/2022	WVCC - Facebook	Business plan advertising	5,939.23
		WVCC - DynAdmic	Business plan advertising	8,499.54
		WVCC - Lamar	Business plan advertising	21,300.00
		WVCC - KW Media	Business plan advertising	2,900.00
		WVCC - KW Media	Marketing Oversight (Chamber)	910.00
		WVCC - AAA Washington	Media opportunity buys	4,653.00
				93,993.17

Previously Approved Invoices

Inv #	Invoice Date	Vendor	Category	Amount
10070	4/11/2022	Invoice approved/ratified at 5/18/2022 TPA meeting		2,000.00
24610	4/26/2022	Invoice approved/ratified at 5/18/2022 TPA meeting		31,180.99
24611	4/26/2022	Invoice approved/ratified at 5/18/2022 TPA meeting		23,374.61
24647	7/19/2022	Invoice approved/ratified at 8/17/2022 TPA meeting		277.14
24648	7/19/2022	Invoice approved/ratified at 8/17/2022 TPA meeting		2,969.70
24649	7/19/2022	Invoice approved/ratified at 8/17/2022 TPA meeting		15,241.16
24650	7/19/2022	Invoice approved/ratified at 8/17/2022 TPA meeting		80,081.59
24651	7/19/2022	Invoice approved/ratified at 8/17/2022 TPA meeting		1,239.37
24652	7/19/2022	Invoice approved/ratified at 8/17/2022 TPA meeting		648.68
				157,013.24
				<u>251,006.41</u>

City Finance Department has received and processed the above invoices for TPA.
 TPA can review and approve/ratify.