

Agenda Item No. e-6

Date: 1/13/2021

Subject: Recommendation from the Lodging Tax Advisory Committee for the 2021 Lodging Tax Grant Program

FROM: Doug Merriman, PhD, City Supervisor

RECOMMENDED ACTION:

A motion to approve the recommendations of the Lodging Tax Advisory Committee for the use of lodging tax revenues to fund the 2021 Lodging Tax Grant Program.

ISSUE:

Should the city approve recommendations made by the Lodging Tax Advisory Committee (LTAC) for change in the use of lodging tax revenues for the 2021 grant award program?.

BACKGROUND / SUMMARY INFORMATION:

The lodging tax, also referred to as the hotel-motel tax, is a consumer tax on lodging charges for periods of less than 30 consecutive days for hotels, motels, rooming houses, private campgrounds, RV parks, and similar facilities. The guiding principle for the use of lodging taxes is that they must be used for activities, operations and expenditures designed to increase tourism.

Historically, the City offers annual lodging tax grant funding to applicants wishing to sponsor or run events which accomplish one or more of these functions. Funding is given to successful applicants on a reimbursement basis. Due to this grant program being offered annually, and with funding amounts varying from year to year, the use of lodging tax revenues in this manner is considered a "change in use" of the City's tax proceeds.

RCW 67.28.1817 requires that any proposal to change the use of the tax proceeds must be submitted to the lodging tax advisory committee for review and comment. This submission must occur at least 45 days before final action will be taken on the governing body's proposal, including any action on recommendations made to Council by the Lodging Tax Advisory Committee. The City Council of the City of Sedro-Woolley took action to refer the proposed "change in use" to the LTAC on July 24, 2019. Accordingly, the 45-day requirement has been met.

The purpose of this proposed action is to approve the LTAC recommendations for 2021 grant funding. The following recommended grant awards were approved by the LTAC at their December 2, 2020 meeting:

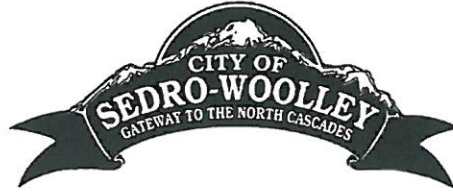
<u>Organization</u>	<u>Requested</u>	<u>Awarded</u>
City of Sedro-Woolley: Restroom Maintenance	\$7,000.00	\$0.00
Loggerodeo	10,000.00	7,000.00
Sedro-Woolley Chamber of Commerce	12,500.00	11,500.00
Sedro-Woolley Farmers Market	2,500.00	2,250.00
Sedro-Woolley Museum	3,000.00	2,500.00
Sedro-Woolley Rotary	5,000.00	4,500.00
Skagit Festival	100.00	100.00
Sedro-Woolley Riding Club	5,000.00	2,500.00
	<u>\$45,100.00</u>	<u>\$30,350.00</u>

FISCAL IMPACT, IF APPROPRIATE:

The total of awards for 2021 equals \$30,350

ATTACHMENTS:

1. Agenda: December 2, 2020 Lodging Tax Advisory Committee
2. Minutes: December 2, 2020 Lodging Tax Advisory Committee



CITY OF SEDRO-WOOLLEY
Lodging Tax Advisory Committee Agenda

December 2, 2020
 3:00 PM

Members: Mayor Julia Johnson, Chair
 Doug Wood, Committee Member, Sedro-Woolley Riding Club
 Dottie Chandler, Committee Member, Loggerodeo
 Nancy Lopez, Committee Member, Three Rivers Inn
 Doug Merriman, Finance Director, Staff Liaison
 Angela Yun or Designee, Skagit Motel

- 1) **Call to Order**
- 2) **Review & Discuss Applications**
- 3) **Develop Recommendations of the following awards of lodging tax revenues for 2021:**

<u>Organization</u>	<u>Requested</u>
City of Sedro-Woolley: Restroom Maintenance	\$7,000.00
Loggerodeo	10,000.00
Sedro-Woolley Chamber of Commerce	12,500.00
Sedro-Woolley Farmers Market	2,500.00
Sedro-Woolley Museum	3,000.00
Sedro-Woolley Rotary	5,000.00
Skagit Festival	100.00
Sedro-Woolley Riding Club	5,000.00
	<u>\$45,100.00</u>

- 4) **Adjournment**

CITY OF SEDRO-WOOLLEY
Lodging Tax Advisory Committee

Meeting Minutes

December 2, 2020 3:00 PM.

Members Present: Mayor Julia Johnson, Chair,
Doug Wood, Committee Member, Sedro-Woolley Riding Club
Dottie Chandler, Committee Member, Loggerodeo
Doug Merriman, Finance Director, Staff Liaison

Members Absent: Kris Dodge, Committee Member, Three Rivers Inn
Angela Yun, Skagit Motel

- 1) Meeting called to order by Mayor Johnson at 3:00 PM.
- 2) Reviewed packets, discussed budgets, application requests, and applicability of applications to lodging tax goals and regulations.
- 3) Committee developed recommendation of the following awards of lodging tax revenues for 2021:

<u>Organization</u>	<u>Requested</u>	<u>Awarded</u>
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Skagit Festival	100.00	100.00
Sedro-Woolley Riding Club	<u>5,000.00</u>	<u>2,500.00</u>
	<u>\$45,100.00</u>	<u>\$30,350.00</u>

- 4) Meeting adjourned at 3:22 PM