

CITY COUNCIL AGENDA TOPIC

Resolution authorizing execution of a modified Professional Services Contract with the Bellevue Convention Center Authority, doing business as Visit Bellevue, in an amount not to exceed \$3,726,160.00, which shall include all applicable taxes, for the administration and operation of the Bellevue Zone of the Bellevue-Redmond Tourism Promotion Area as authorized under RCW 35.101.130 and BCC 4.60.110.

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EXECUTIVE SUMMARY**ACTION**

This contract will support the administration and operation of the Bellevue Zone of the Bellevue-Redmond Tourism Promotion Area (BRTPA). All funds expended under the contract will be derived from lodging charges collected within the Bellevue Zone, for the exclusive benefit of the Bellevue Zone, and will be used solely for “tourism promotion” as that term is defined under chapters 35.101 RCW and 4.60 BCC. The contract is consistent with the Legislative Authority’s previously approved BRTPA 2023-2024 budget and work plan.

RECOMMENDATION

Move to adopt Resolution No. 10332.

BACKGROUND/ANALYSIS

In 2023, the City Council, as the Legislative Authority for the Bellevue-Redmond Tourism Promotion Area (BRTPA), established the BRTPA Advisory Board.

The BRTPA Advisory Board is comprised of representatives, in equal number, from lodging businesses in both Bellevue and Redmond as required by Bellevue City Code (BCC) 3.100.010 and the interlocal agreement between the cities of Redmond and Bellevue. Among its many duties, the BRTPA Advisory Board makes recommendations to the City Council regarding the administration of the BRTPA and the use of any funds collected from the area’s two zones.

During an Advisory Board meeting in August 2023, board members were presented with several options for day-to-day administration of the BRTPA. Based on its status as the official Destination Marketing Organization for the City of Bellevue and its local expertise, the Advisory Board recommended that Visit Bellevue be retained to manage operations for the BRTPA’s Bellevue Zone.

In October 2023, the Bellevue City Council received a presentation on the BRTPA’s inaugural budget and work plan, and Council directed staff to return with legislation as part of the 2023-2024 Mid-Biennial

adjustment to support expenditures consistent with the annual budget and strategic plan as recommended by the BRTPA Advisory Board. This presentation also highlighted that Visit Bellevue had been recommended by the Advisory Board to administer and operate the BRTPA's Bellevue Zone.

The proposed contract is in alignment with the October presentation and the budget / work plan approved by Council.

POLICY & FISCAL IMPACTS

Legal Authority

RCW 35.101.130(2) expressly authorizes the Legislative Authority to contract with tourism destination marketing organizations, or other similar entities, to administer the operation of a tourism promotion area, provided the administration complies with all applicable laws and regulations.

BCC 4.60.110 expressly authorizes the Legislative Authority to contract with destination marketing organizations, public entities, or other similar agencies to administer the operation of the Bellevue-Redmond Tourism Promotion Area, and requires the legislative authority to approve any such contract.

Policy Impact

The BRTPA will provide dedicated funding to support tourism, consistent with the City's Economic Development Plan (Sections T1-T2: Tourism).

The proposed contract will administer the BRTPA's Bellevue Zone consistent with the Council approved 2023-2024 budget and work plan.

Fiscal Impact

The proposed budget and work plan are fully supported by the expected revenues. Projected revenues are estimated to be \$3.5 million in the first year (\$2.5 million from Bellevue and \$1 million from Redmond), likely increasing year after year as tourism is promoted within the area. The resulting increase in visitor spending is expected to have a net positive impact on the hotel occupancy tax, sales tax, and admissions tax.

OPTIONS

1. Adopt the Resolution authorizing execution of a modified Professional Services Contract with the Bellevue Convention Center Authority, doing business as Visit Bellevue, in an amount not to exceed \$3,726,160.00, which shall include all applicable taxes, for the administration and operation of the Bellevue Zone of the Bellevue-Redmond Tourism Promotion Area as authorized under RCW 35.101.130 and BCC 4.60.110.
2. Do not adopt the Resolution and provide alternative direction to staff.

ATTACHMENTS

Proposed Resolution No. 10332

AVAILABLE IN COUNCIL LIBRARY

Contract with Visit Bellevue for Tourism Promotion Area Administration