

CITY COUNCIL REGULAR SESSION

Ordinance providing for the establishment of the Bellevue-Redmond Tourism Promotion Area and approving other matters related thereto.

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EXECUTIVE SUMMARY

This Ordinance establishes the Bellevue-Redmond Tourism Promotion Area in accordance with chapter 35.101 RCW, the Interlocal Agreement with the City of Redmond for the Joint Establishment of a Tourism Promotion Area, the Initiation Petition filed by affected Lodging Businesses, and the City Council's previous direction.

RECOMMENDATION

Move to adopt Ordinance No. 6724

BACKGROUND/ANALYSIS

A Tourism Promotion Area (TPA) is a mechanism that local governments may use to generate additional revenues for tourism promotion. Lodging Businesses with 40 or more units, may petition a Legislative Authority to form a TPA to impose charges for the promotion of tourism. However, in any county with a population of one million or more (i.e. King County), two or more jurisdictions must work together under an interlocal agreement to establish and administer any TPA.

Recent Actions

On November 28, 2022, upon recommendation from staff, and as supported by Visit Bellevue and Experience Redmond, the destination marketing organizations for the cities of Bellevue and Redmond, the City Council directed staff to return with an interlocal agreement with the City of Redmond to facilitate the establishment of a TPA as required under RCW 35.101.010(2)(b) and RCW 35.101.040.

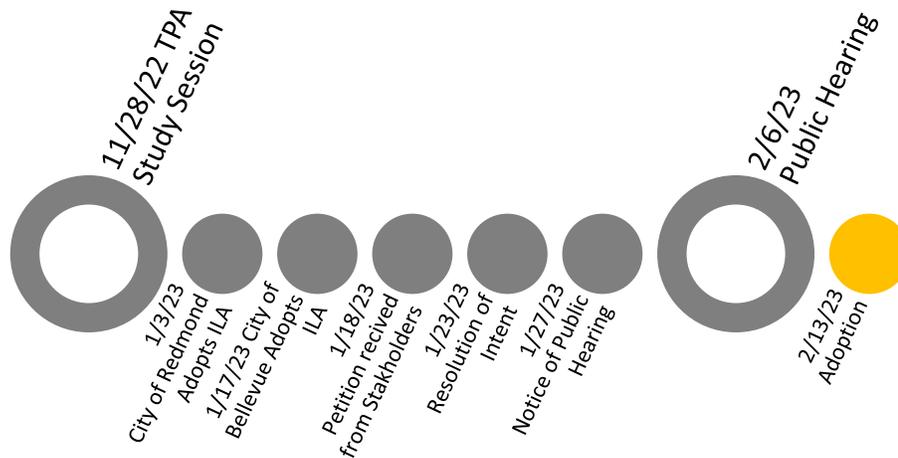
On January 3 and 17, 2023, the cities of Redmond and Bellevue authorized execution of the required interlocal, which designated the Bellevue City Council as the "legislative authority" for the proposed Bellevue-Redmond Tourism Promotion Area (BRTPA).

On January 18, 2023, on behalf of the affected Lodging Business operating within the proposed area, Visit Bellevue and Experience Redmond filed with the Bellevue City Council an initiation petition, which contained all statutory elements as required by RCW 35.101.020.

On January 23, the City Council, as the designated legislative authority for the proposed BRTPA, adopted a resolution providing notice of its intent to establish the BRTPA, setting the time and place for a public hearing on the proposed formation of the area. Notice of the public hearing was mailed to all Lodging Businesses located within the proposed area on January 24, 2023 and published on January

27, 2023 as required by statute.

On February 6, the City Council, as the designated legislative authority of the proposed BRTPA, held a public hearing to hear protests and receive evidence for or against the proposed formation of the BRTPA. Protests on the proposed BRTPA were not received from Lodging Businesses that would pay a majority of the proposed charges.



POLICY & FISCAL IMPACTS

Policy Impact

Chapter 35.101 RCW expressly authorizes the City to establish TPA's provided there are two or more jurisdictions acting jointly under an interlocal agreement, there is an initiation petition (signed by 60 percent of lodging businesses subject to the charge to be imposed) requesting establishment of the area, and there is a public hearing on the formation of the area.

- Pursuant to RCW 35.101.080, an ordinance to establish a TPA shall contain the following information: (1) The number, date, and title of the resolution of intention pursuant to which it was adopted; (2) The time and place the hearing was held concerning the formation of the area; (3) The description of the boundaries of the area; (4) The initial or additional rate of charges to be imposed with a breakdown by classification, if such classification is used; (5) A statement that an area has been established; and (6) The uses to which the charge revenue shall be put, with all uses conforming to those declared in the initiation petition.

Fiscal Impact

The projected revenues from the TPA, if established as proposed, is estimated to be \$3.5 million in the first year (\$2.5 million from Bellevue and \$1 million from Redmond), increasing year after year as tourism is promoted within the area.

OPTIONS

1. Adopt the Ordinance providing for the establishment of the Bellevue-Redmond Tourism Promotion Area and approving other matters related thereto.
2. Do not adopt the Ordinance and provide alternative direction to staff.

ATTACHMENTS

Proposed Ordinance No. 6724

AVAILABLE IN COUNCIL LIBRARY

Bellevue-Redmond Interlocal Agreement – Tourism Promotion Area
Economic Development Plan
Destination Development Plan
Petition to Establish the Bellevue-Redmond Tourism Promotion Area
Resolution No. 10216