

CITY OF BELLEVUE, WASHINGTON

RESOLUTION NO. 10216

A RESOLUTION of the City Council of the City of Bellevue, Washington, the designated “legislative authority” for the proposed Bellevue-Redmond Tourism Promotion Area, pursuant to the Interlocal Agreement for the Joint Establishment of a Tourism Promotion Area, by and among the City of Bellevue and the City of Redmond, providing notice of the intent to establish a tourism promotion area; providing notice that the City Council shall conduct a public hearing on the establishment of a tourism promotion area; identifying the proposed boundaries for the tourism promotion area; identifying the proposed use of revenues generated by the tourism promotion area; identifying the estimated costs for the tourism promotion area; and identifying the estimated charges to be imposed in support of the tourism promotion area, among other matters.

WHEREAS, the tourism industry is a vital and substantial component of the local economy, and tourism promotion increases the number of visitors to the region, which in turn increases regional sales supporting the local economy; and

WHEREAS, Chapter 35.101 of the Revised Code of Washington (RCW) authorizes the creation of Tourism Promotion Areas; and

WHEREAS, RCW 35.101.010(2)(b) specifically authorizes cities located in any county within the state of Washington with a population of one million or more inhabitants to establish a Tourism Promotion Area when acting pursuant to an interlocal agreement; and

WHEREAS, the Cities of Redmond (date 1/3/2023) and Bellevue (date 1/17/2023) executed an Interlocal Agreement for the Joint Establishment of a Tourism Promotion Area, appointing and designating the Bellevue City Council as the “Legislative Authority” for the proposed Bellevue-Redmond Tourism Promotion Area (hereinafter “Bellevue-Redmond TPA” or “BRTPA”), and authorizing it to receive an initiation petition to establish the tourism promotion area and otherwise facilitate the formation and operation of the BRTPA pursuant to the authority granted under chapter 35.101 RCW and the interlocal agreement; and

WHEREAS, as used herein, references to the “City Council” shall mean the Bellevue City Council serving as the designated “Legislative Authority” for the proposed Bellevue-Redmond TPA; and

WHEREAS, the operators of Lodging Businesses, as defined in RCW 35.101.010(3), located in the proposed BRTPA have presented a petition

(hereinafter "Initiation Petition") to the City Council, for the establishment of the BRTPA; and

WHEREAS, the Initiation Petition contained all required elements pursuant to RCW 35.101.020, including:

1. A description of the boundaries of the proposed Bellevue-Redmond TPA;
2. The proposed uses and projects to which the proposed revenue from the charges should be dedicated and the total estimated costs of such uses and projects;
3. The estimated rate for the charges to be levied on Lodging Businesses in various zones within the Bellevue-Redmond TPA with a proposed breakdown by class of Lodging Business if such classification is to be used; and
4. The signature of the persons who operate Lodging Businesses in the proposed Bellevue-Redmond TPA who would pay sixty percent or more of the proposed charges; and

WHEREAS, having received the Initiation Petition, the City Council, as the designated legislative authority of the proposed BRTPA, is required pursuant to RCW 35.101.030 to adopt a resolution providing notice of the intention to establish the BRTPA, and setting the time and place of a public hearing to be conducted by the City Council to hear protests and receive evidence for or against the proposed formation of the BRTPA.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES RESOLVE AS FOLLOWS:

Section 1. Notice of Intent to Establish Tourism Promotion Area. In accordance with RCW 35.101.030, having received an Initiation Petition, titled "Petition to Establish the Bellevue-Redmond Tourism Promotion Area", the City Council hereby provides notice of its intent to establish the BRTPA.

Section 2. Notice of Public Hearing. The City Council hereby provides notice that it will conduct a public hearing at 6:00 p.m., or as soon as possible thereafter, on February 6, 2023, in the City Council Chamber, located at Bellevue City Hall, 450 – 110th Ave. NE, Bellevue, WA, 98004.

The purpose of the hearing is to hear all protests and receive all evidence for or against the establishment of the Bellevue-Redmond TPA which, if established, shall have legal authority to impose charges on the provision of lodging by Lodging Businesses located within the BRTPA.

The proceeds collected from the charges shall be used solely to fund Tourism Promotion as authorized under chapter 35.101 RCW and the Interlocal Agreement, and as further described in Section 3 of this Resolution.

Section 3. Proposed Bellevue-Redmond TPA. Pursuant to RCW 35.101.030, the following information is provided in connection with the public hearing set forth in Section 2 of this resolution:

- A. *Area Boundary.* The boundaries of the BRTPA shall include the incorporated areas of the Cities of Bellevue and Redmond as shown on the map attached as "Exhibit A." The BRTPA shall include two zones: a Bellevue Zone, incorporating the entire area of the incorporated city limits of the City of Bellevue; and a Redmond Zone, incorporating the entire area of the incorporated city limits of the City of Redmond.
- B. *Use and Projects.* The revenue from the charges collected from the operators of Lodging Businesses within the BRTPA shall be used solely for the purpose of providing Tourism Promotion services as defined in chapter 35.101 RCW, as presently adopted and hereafter amended.

Such authorized purposes may include, but are not limited to:

- i. The general promotion of tourism and convention business within the BRTPA as may be recommended by the tourism destination marketing organization or other similar organization with whom the Legislative Authority shall contract to administer the operation of the BRTPA.
- ii. Advertising, marketing, public relations, and communications programs designed to attract overnight visitors to, increase consumer demand to, and increase market share to the BRTPA.
- iii. Tourism development programs, corporate visitation, meetings, conventions, festivals, events programs to promote and increase local tourism resulting in overnight stays in the BRTPA.
- iv. Tourism and visitation research and data to inform and advance tourism to the BRTPA.

The amount contributed toward Tourism Promotion within Bellevue and Redmond shall be proportionate to the amounts collected from lodging businesses operating within each respective city.

- C. *Estimated Costs.* It is estimated that, on an annual basis, the revenue from the charges collected from the operators of Lodging Businesses within the BRTPA shall be approximately \$3.5 million. It is further estimated, of this \$3.5 million, \$2.5 million will be collected from operators

of Lodging Businesses located in the City of Bellevue, and \$1 million will be collected from operators of Lodging Businesses located in the City of Redmond. This amount will vary from year-to-year depending upon the actual collections and fluctuating occupancy and rates of lodging businesses subject to the charge.

- D. *Estimated Rates of Charges.* The proposed rates for the charges to be imposed in support of Tourism Promotion on the furnishing of lodging by Lodging Businesses located in the BRTPA are provided below; provided, however, the charge shall not be imposed on lodging rooms that provide: (a) stays for the purpose of temporary medical housing; (b) stays by airline crews under contract with Lodging Businesses subject to the tourism promotion charge; (c) stays exceeding thirty (30) consecutive days; and (d) stays pursuant to meetings, conventions, and event contracts executed prior to the start date of the BRTPA. The zones within the BRTPA shall have the ability to increase or decrease the BRTPA charge on an ongoing basis with a 60% petition of their rate payers within that zone to the Legislative Authority.

Classifications	Base Charge (RCW 35.101.050)	Additional Charge (RCW 35.101.057)	Total Charge
<u>Bellevue Zone</u> (lodging businesses within the area of the incorporated city limits of the City of Bellevue)	\$2.00 per night per stay	\$0.50 per night per stay	\$2.50 per night per stay
<u>Redmond Zone</u> (lodging businesses within the area of the incorporated city limits of the City of Redmond)	\$2.00 per night per stay	\$0.50 per night per stay	\$2.50 per night per stay

In accordance with RCW 35.101.057, the “additional charge” shall expire on July 1, 2027; unless petitioned to be removed earlier in accordance with RCW 35.101.130(3).

Section 4. Conduct of Public Hearing. Any person may appear at the time, place, and date set forth in Section 2 above and present testimony on the intention to establish the Bellevue-Redmond TPA as described herein. Pursuant to RCW 35.101.070, the proceedings establishing the Bellevue-Redmond TPA shall terminate if protest is made by the Lodging Businesses in the proposed Bellevue-Redmond TPA that would pay a majority of the proposed charges. If sufficient protests are not made by Lodging Businesses in the proposed Bellevue-Redmond TPA, the City Council may adopt an ordinance establishing the Bellevue-Redmond TPA and other matters related thereto as provided by law.

Passed by the City Council this _____ day of _____, 2023,
and signed in authentication of its passage this _____ day of _____,
2023.

(SEAL)

Lynne Robinson, Mayor

Attest:

Charmaine Arredondo, City Clerk

EXHIBIT A

