

CITY COUNCIL REGULAR SESSION

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.

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EXECUTIVE SUMMARY

This Resolution advises the public of Bellevue’s and Redmond’s intent to establish, and provides notice of a public hearing regarding the formation of, a tourism promotion area in accordance with chapter 35.101 RCW, the recently adopted interlocal agreement (dated January 17, 2023), and the initiation petition (filed January 18, 2023) received from affected lodging businesses.

RECOMMENDATION

Move to adopt Resolution No. 10216

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.

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

On January 3 and 17, 2023, 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, Visit Bellevue and One Redmond filed with the Bellevue City Council an initiation petition, which contained all required elements pursuant to RCW 35.101.020, including:

1. A description of the boundaries of the proposed BRTPA;
2. The proposed uses and projects to which the proposed revenue from the charges shall be put and the total estimated costs;
3. The estimated rate for the charges with a proposed breakdown by class of lodging business if such classification is to be used; and
4. The signatures of the persons who operate lodging businesses in the proposed BRTPA who would pay 60 percent or more of the proposed charges.

With receipt of the initiation petition (Attachment A), the City Council, as the designated legislative authority for 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 set 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.

The proposed resolution comports with the requirements of RCW 35.101.030. Upon adoption, staff will publish the resolution and mail a copy of the same to each lodging business subject to the proposed charge as required by law.

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 a public hearing on the formation of the TPA.

- RCW 35.101.030 requires the City Council to adopt a resolution of intention to establish an area after receipt of a valid initiation petition. The resolution must state: (1) the time and place of a hearing to consider the establishment, (2) a description of the boundaries of the proposed area, (3) the proposed area uses and projects to which the proposed revenues from the charge shall be dedicated and the total estimated cost of projects; and (4) the estimated rate or rates of the charge with a proposed breakdown of classifications.
- RCW 35.101.060 requires the City to give notice of any future hearing by (1) publication of the resolution of intention in a newspaper of general circulation, and (2) mailing a complete copy of the resolution to each lodging business in the proposed area.

Fiscal Impact

There is no fiscal impact associated with the resolution of intention. 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 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

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2. Do not adopt the Resolution and provide alternative direction to staff.

ATTACHMENTS

- A. Petition to Establish the Bellevue-Redmond Tourism Promotion Area
Proposed Resolution No. 10216

AVAILABLE IN COUNCIL LIBRARY

Bellevue-Redmond Interlocal Agreement – Tourism Promotion Area
Economic Development Plan
Destination Development Plan