

## CITY COUNCIL REGULAR SESSION

Public Hearing on the establishment of a Tourism Promotion Area in Bellevue and Redmond.

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## EXECUTIVE SUMMARY

This public hearing is an opportunity for residents and other stakeholders to provide input on the formation of a Bellevue-Redmond Tourism Promotion Area (BRTPA), including all proposed fees, to aid the City Council in its review, discussion, and possible establishment of a tourism promotion area in accordance with chapter 35.101 RCW, the recently adopted interlocal agreement (dated January 17, 2023), and petition (filed January 18, 2023) by affected lodging businesses.

## RECOMMENDATION

Move to hold the public hearing on the Bellevue-Redmond Tourism Promotion Area.

## 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 lodging 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 Council Touch Points

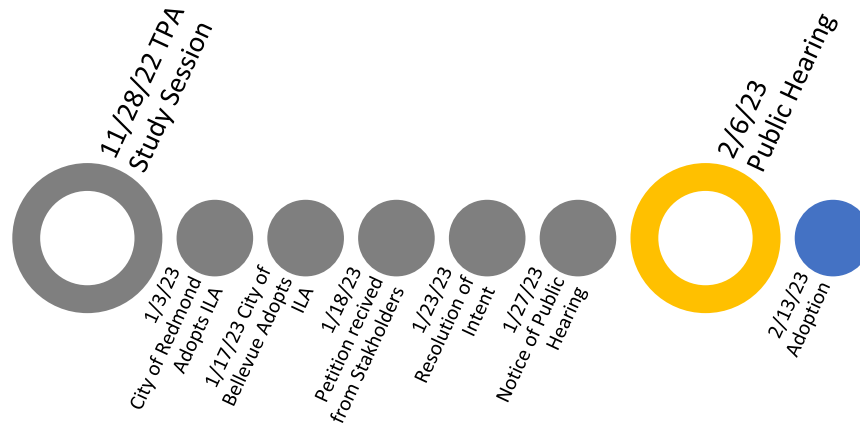
On November 28, 2022, upon recommendation from staff, and as supported by Visit Bellevue and Experience Redmond, the destination marketing organizations for the cities of Bellevue and Redmond, the City Council directed staff to return with an interlocal agreement with the City of Redmond to facilitate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

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 BRTPA.

On January 18, 2023, Visit Bellevue and Experience Redmond filed with the Bellevue City Council, via the City Clerk, an initiation petition on behalf of Lodging Businesses, which contained all elements required by RCW 35.101.020.

On January 23, 2023, the City Council, as the designated legislative authority of the proposed BRTPA, adopted a resolution providing notice of its 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.

In accordance with RCW 35.101.060, notice of the public hearing was mailed to all Lodging Businesses in the proposed area on January 24, 2023, and published on January 27, 2023.



## 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 Lodging Business who would pay 60 percent or more of the charge to be imposed) requesting establishment of the area, and a public hearing on the formation of the TPA.

### Fiscal Impact

There is no fiscal impact associated with the public hearing. 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. Hold the public hearing on the Bellevue-Redmond Tourism Promotion Area.
2. Provide alternative direction to staff regarding the public hearing.

## ATTACHMENTS

- A. Public Hearing Notice
- B. Resolution of Intent to Establish a Tourism Promotion Area (Resolution No. 10216)

## 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