Board Members Present:
Steve Shelton, Chairman, District #3
Travis Snider, District #4
Debbie Emge, District #5
Bruce Gandal, District #2

Interested Parties Present:
Grant Dull, Lynnwood Convention Center
Joe McAlwain, Edmonds Center for the Arts
Rick Comeau, Xfinity Arena
Bonnie Hilory, Future of Flight
Jessica Voelker, Snohomish County Economic Development

Staff Present:
Brad Cattle, Anderson Hunter Law Firm
Sharyl Raines, Snohomish County Finance Department
Nancy Miller, Snohomish County Finance Department

Call to Order
Steve Shelton called the meeting to order at 3:05 p.m.

Public Comment
No public comments.

Approval Items
Debbie Emge moved to approve the July 30, 2015 minutes. Travis Snider seconded the motion and it passed unanimously.

After review of the vouchers, Travis Snider moved to approve the vouchers for July through September, 2015 in the amount of $511,211.75. Bruce Gandal seconded the motion and it passed unanimously.

The following vouchers/warrants are approved for payment:

Disbursements:
Fund X10
Voucher/warrant number: 1868980 through 1868985 Total $157,804.67
Voucher/warrant numbers: 1868986, 1872860, 1875972 Total $6,000.00
Voucher/warrant numbers: 1868986, 1872860, 1875972 Total $27,181.74
Voucher/warrant number: 1868987 Total $750.00
Voucher/warrant numbers: 1872693, 1872863, 1872884 Total $150.00
Voucher/warrant numbers: 1872701, 1872709 through 1872857 Total $157,804.67
Voucher/warrant number: 1872703 Total $2941.00
Voucher/warrant numbers: 1875919 through 1875969 Total $157,804.67
Voucher/warrant numbers: 5006418 through 5006616 Total $775.00

Financial Report and Old Business
Nancy Miller presented the financial reports. Year to date sales tax is up 4.9% over prior year. Quarter to date is also up at 8% over prior year Q3. Budget versus actuals are on target for the year at 75%. The Tier II payments will be going out next Friday for the second half of the year, and they are more than the original projection. In looking at the Revenue Plan Projections, it appears Tier II will be higher than originally projected in 2016 as well.

Debbie Emge moved to accept financial reports. Travis Snider seconded the motion and it passed unanimously.

Lodging Tax Commission Large Fund Grant Process Presentation
Two funds available to promote tourism in Snohomish County, increase convention business, and to welcome tourists. Both are sourced from lodging funds.

TPA Fund
- $1,000,000 per year available to projects
- In response to the Hotel/Motel Fund
- Open to for-profit entities, capital expenditures
- Applications are accepted at anytime; reviewed monthly
- 75% of programs funded are sports related
- Projects with a higher ROI receive better support; 4:1 ROI
- Great for new investment/seed money, build new market
- Have discretion to look project to project
- TPA funds are best used for projects that are emergent in nature

Hotel/Motel Tax Fund
- Been around for 30 years
- Infrastructure and arts focused
- Strategic in nature
- Committee oversight by LTAC chaired by Councilman, Terry Ryan
- Three sub-funds
  - County-wide fund
    - About $2,000,000 available
Debt service of PFD; currently going to Xfinity Arena and Lynnwood Convention Center
- Tourism promotion through the tourism bureau
- Strategic initiatives; outdoor recreation
- Major project currently a 49-mile waterway trail project

- **Small Fund**
  - Open to non-profits and projects promoting tourism
  - Must compliment strategic plan
  - ROI less important
  - Open once annually for application
  - Approximately $400,000 available annually

- **NEW Capital Subfund**
  - Not like the other two funds; doesn’t have its own revenue source; funds don’t accrue annually
  - Most applicable to PFDs
  - For capital projects up to $250k
  - Likely open on a biennial basis
  - 2015 opened fund up for 2016 funding; 3 PFDs applied; 2 given preliminary LTAC recommendation and funding
  - Reach out to Board Chair Terry Ryan if interested in funding for project
  - Jessica Voekler is available to assist

**Project Financial Updates**

**Edmonds Center for the Arts – Joe Mcalwain**
- October gala plus ticket sales will increase revenue & offset loss
- Fewer shows, but have had more ticket sales
- Local conference center sold which resulted in more rental income for us
- Concessions are improving; also increasing our prices slightly
- Ticket prices increasing slightly
- New Dementia Inclusive Series program has brought some new funding
- Renovating ladies restroom thanks to a CDB Grant of $100k; not enough funding to complete both restrooms

**Infinity Arena – Rick Comeau**
- Attendance is up, gross ticket revenue up, expenses are also up
- Net operating income currently at loss, $27k more than last year
- Circus in October rather than September & not included in current numbers
- Anticipate profit by year end
- PFD income increase resulting in net income
- First time to turn a profit since 2010
- Scoreboard project complete in September
- New food and beverage company starting 10/1/2015
Future of Flight – Bonnie Hilory
  o Attendance up 11% over last year
  o Gallery, membership, education all up
  o Looking to add partnerships to support education
  o 10th annual gala in October
  o Anniversary celebration in December
  o Rebranding coming soon
  o Ticketing system RFP in progress

Lynnwood Convention Center – Grant Dull
  o "Cash on hand" calculation up significantly due to refinancing of debt
  o Plan to begin various work on property with debt service savings
  o Sales tax up
  o Convention center net income up
  o Cash flow will be negative when we begin property capital improvements

New Business

2016 Meeting Locations
Staff to organize rotation for 2016 meetings at various PFD locations.

Association of Washington State Public Facilities Districts
  o Participants include Snohomish County not the City of Snohomish,
  o Next meeting at the Washington Convention Center
  o Annual PFD gathering in spring 2016 in Spokane

Steve Shelton adjourned the meeting at 4:47 p.m.

The January 28, 2016 meeting location is to be determined.

Chairperson Signature 4/28/16

Date