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## Minutes of Lodging Tax Advisory Committee (LTAC) Meeting

Dated October 27, 2020

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### Members

Present: County Council Member Stephanie Wright – LTAC Member, Chair  
Shawn Walker – LTAC Member, Lodging  
Bryan Harmon – LTAC Member, Lodging  
Debbie Copple – LTAC Member, Tourism  
Adrienne Hall – LTAC Member, Tourism  
(All present through Zoom conferencing)

Staff: Tom Teigen – Parks, Rec & Tourism, Department Head  
Bridgid Smith – Parks, Rec & Tourism, Division Manager  
Anniqne Bennett – Parks, Rec & Tourism, Tourism Development Specialist  
Trudy Soriano – Parks, Rec & Tourism, Public Involvement Specialist  
Carol Peterson – Parks, Rec & Tourism, Interim Tourism Promotion Coordinator  
Jim Martin – Legislative Analyst, Council

Other: Kristi Hoagland – Snohomish County, Operational Excellence Team

### Documents:

- Meeting agenda
- Draft Minutes from 11/19/2019 Meeting
- Five Year Plans – County-Wide & Small Fund

### Opening:

Meeting called to order at 12:30 p.m.

**Introductions:** Committee members and staff introduced themselves.

**Approval of Meeting Minutes:** Stephanie Wright made motion, Debbie Copple seconded, to approve minutes of the November 19, 2019 meeting. Approved unanimously.

**Five Year Plans Review:** Bridgid Smith presented both the Hotel/Motel Small Fund and Large Fund Five Year Plans to the Board. The Small Fund is the first 2% of the lodging tax collected and does include camping which is doing well right now. Initial collection projections for 2020 were at 40% of pre-COVID numbers, but the County is actually at 70% (Sept to Sept). Expenditures have been reduced by the Tourism Promotion Coordinator position staying vacant, as well as a reduction in the actual grant reimbursements requested for 2020. In 2021 there is estimated \$380,000 allotted for projects/DVA development support, as well as \$100,000 set aside for a rural/small community development grant project. The established reserve fund of \$500,000 is still being maintained into 2025 with \$16,400 remaining. For 2021 we need to determine if a grant cycle is going to be held. Several grant recipients are calling in requesting an answer.

For the Large Fund, based on actuals through September, the County is at 60% of pre-COVID numbers, better than expected. This fund has a large, complex reserve, established by recommendation, including a rainy day reserve, 90 Days Working Capital reserve, and 33% of

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next year's expenses reserve. This fund has long term ILA commitments to Lynnwood & the Everett Memorial Stadium, as well as other tourism capital projects for the three PFD's. The large fund also covers our DMO Services which for many years was the Tourism Bureau, but is now through DVA, along with our in-house tourism planning projects/staff commitments. The County is maintaining two vacancies which has helped to lower the in-house expenditures. With these current commitments and the projection of 2021 figures at 75% of pre-COVID, bottom line shows we are eating into our reserves, due to the decrease in revenues.

In 2022, a motion approved by LTAC comes into effect related to the Lynnwood and Everett PFD's. This motion was approved by Council giving the Executive the authority to sign an agreement that gives Everett the same/equal amount that is given to Lynnwood each year. This is subject to a yearly budget approval. At the same time, \$100,000 will be set aside for Edmonds PFD to apply for funding each year. Board members mentioned concern for how this motion was originally brought forward and would like further discussion to see if this still makes sense post COVID.

**Overview of Destination Management Operations:** Annique Bennett presented current operations of the DVA services and the recovery process. Tourism industry projects 36 months to get back to "normal". 50% of all jobs lost in the State are hospitality related. Lodging is trending at approximately 50%. Majority of bookings are for leisure planning and shopping. DVA created a campaign of "stories" to keep Snohomish NorthCountry in the forefront of peoples' minds for when we open up, targeting our drive markets and close-in fly markets. Annique is also planning on moving away from the traditional static directory websites and into compelling short blog stories around the topics people are searching.

For the rest of the 2020 Digital Plan – spending plan is budgeted for \$33,500 in November and \$32,000 in December with paid social media for Phase 2 appropriate advertising into the Yakima, Spokane, Portland, Phoenix and LA markets. Focus going into 2021 will be on public relations with DVA – good connections with earned media and influencers. From 2018 - 2020 we have used a company called Arrivalist to track data and provide metrics through snap shots of apps running on peoples' phones and geo boundaries, but in 2021 we will be transitioning to a company called SeeSource which tracks actual IP addresses. This will allow us to see who is actually booking hotel nights and then targeting known visitors in these key markets. On November 17<sup>th</sup>, Matthew Godfreed the owner of SeeSource, will be giving a presentation.

Annique also focused on the current Hotel/Motel grant application process which lacks connectivity and therefore made a proposal to the board for changes in 2021. She proposed to use 2021 small funds of \$480,000 for professional recovery marketing with the support of DVA and to create a new digital marketing program to support a new Small Fund Grant Track that communities could begin to apply for in 2022. These would be microsites created by DVA that would create new custom content, images, videos and copy used in a broader integrated Seattle NorthCountry recovery marketing program. Eligible communities would be those small rural communities that don't have access to lodging tax dollars on their own like Upper Skykomish River Valley, Lower Snohomish River Valley, Upper Stillaguamish/Sauk River Valley, and Lower Stillaguamish River Valley cities. DVA has tools and social media connections that these small/rural communities could tap into, which they would not be able to afford on their own. Possible application proposal types and program requirements were also provided to the board.

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Due to time restraints, the board only had a few minutes to discuss this proposal and did not have enough time to get all their questions answered, so a board member requested to have another meeting set up for further discussion. It was agreed that the board members would submit their additional questions to Carol Peterson and she would consolidate all the questions into one joint email back to all LTAC board members, along with answers to their questions. A new meeting date would be scheduled shortly after all questions were received and answers provided.

Meeting adjourned at 2:00 p.m.

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Minutes of the Snohomish County Lodging Tax Advisory Committee are intended to be a reasonable summary of its deliberations and actions.  
The minutes are not a verbatim record of everything said at the meeting. The minutes include all actions take by the committee.