



Kalama City Council - Council Agenda Item Information Form

Agenda Item: 6A – Tourism Funding

Meeting Date October 4, 2018

Prepared by: Coni McMaster, Clerk/Treasurer

Subject: 2019 Tourism Funding – City Projects

Summary: With the opening of McMenamins the City has seen an increase in Hotel/Motel Taxes which are restricted for Tourism use. These funds can only be used to fund tourism activities or tourism promotions which are designed to attract overnight tourists. RCW 62.28.080 defines “tourism promotion” as “activities, operations, and expenditures designed to increase tourism, including but not limited to advertising, publicizing, or otherwise distributing information for the purpose of attracting and welcoming tourists; developing strategies to expand tourism; operating tourism promotion agencies; and funding the marketing of or the operation of special events and festivals designed to attract tourists.” This creates some limitations on what the City can do.

The City has sent applications to the following organizations who may be able to utilize the funds for specific events:

**Untouchables Car Club – Application is attached – Request \$2000
Heritage Festival Organizers – Request \$10,000
Kalama Chamber of Commerce
Amalak**

Marketing for tourism would be the City supporting local events such as the Heritage Festival and the Untouchables Car show which definitely bring tourists to town. It won't include costs associated with providing for banners for the downtown area nor for any improvements to Toteff Park. Many Amalak events are more citizen/community oriented, than expected to bring in overnight guests. Chamber Events are also more community – although I do believe the Lighted Boat Festival could qualify. The City can also look at reinstating the Annual Music Festival and possibly work with McMenamins in this effort.

The City has been working on a Branding project which is developing a new logo and had hoped to use some of the tourism funds for banners and flags, but that

will not be possible. Moving forward, a committee to market Kalama will be developed and I believe this will include drawing tourists into the city so some funding could come from tourism funds. The City website is also used to market the different events, so I believe a portion (1/3) of the costs to improve and upgrade the website could possibly come from these funds.

Other possible uses could be re-doing the wayfinding signs, developing a walking map for the area, and purchasing of souvenirs to sell to tourists.

Recommendation: City Staff recommends the City provide \$2000 in funding the Heritage Festival, Untouchables and the Chamber (for their marketing campaign) in 2019 and allocate funds for developing a policy and a plan for tourism promotions and activities in the future. Staff also requests the budget include on third of the cost for the update to the webpage and maintenance costs (\$6300) This would involve a committee and the possible formation of a Tourism Board. The City is not required to have a board as it is under 5000 in population.

► **Draft/Suggested Motion:** Direction to move forward with these or other allocations is needed – any final adoption will be during the budget process.