

Town of Friday Harbor

PO Box 219 / Friday Harbor / WA / 98250

(360) 378-2810 / fax (360) 378-5339 / www.fridayharbor.org

To: Town Council and Mayor
From: Julie Greene, LTAC Coordinator
Date: October 9, 2020
**RE: 2021 HOTEL MOTEL TAX GRANT
LODGING TAX ADVISORY COMMITTEE RECOMMENDATIONS**

The Council is asked to consider the recommendations of the Town's Lodging Tax Advisory Committee (LTAC) regarding use of monies from the second 2% Hotel Motel Excise Tax fund for the 2021 Lodging Tax Grant Program.

BACKGROUND: On October 1, 2020, the Council gave preliminary approval to allocate up to \$50,000 in LTAC grants for the promotion of tourism in 2021. This is equal to the previous year's allocation.

APPLICANTS: The LTAC received five grant requests totaling \$64,790. [The previous year, excluding the Visitors Bureau, the LTAC received nine requests totaling \$129,948. Seven were awarded a total of \$50,001.]

On October 8, 2020, the LTAC met via GoToMeeting with Councilmember Starr acting as pro tem for Councilmember Daniels who was unable to attend. Members listened to the following five proposals:

San Juan Island Chamber of Commerce: \$4,000 was requested to continue off-island promotion of "Something for Everyone" weekend events which in past years have included the Island Artists' Studio Tour, Fourth of July, Lavender Festival, County Fair, Friday Harbor Film Festival, Savor the San Juans, and Friday Harbor Winter Festival.

The Whale Museum: \$42,015 was requested for off-season, off-island promotions.

San Juan Islands Museum of Art: \$7,500 was requested for marketing 2021 exhibits.

San Juan Islands Agricultural Guild: \$5,275 was requested for marketing the Old-Fashioned Christmas Market at Brickworks. They are planning to add Friday afternoon/evening to this Saturday event.

San Juan Community Theatre: \$6,000 was requested for off-island, shoulder season event promotion.

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PROCESS: The LTAC followed the decision process used in previous cycles.

1. Members heard applicant presentations and evaluated each proposal using the following criteria:
 - Will this proposal attract off-island visitors to Friday Harbor?
 - Will this proposal have the effect of specifically and predominantly promoting Friday Harbor?
 - Is it possible that this proposal could result in overnight lodging stays and/or return visits?
 - Will this proposal positively impact shoulder and off-season visitation or enhance the visitor experience?
 - Is this proposal well-structured with measurable and attainable goals?
 - Will they specifically coordinate with other organizations' events and/or marketing?
 - Is this a new, unusual, or innovative, approach to tourism? Or is this a proven approach to promoting tourism.
 - Is this proposal an efficient, economical use of LTAC funds?
2. Members determined that all applicants met basic eligibility requirements for LTAC funding.
3. Members calculated their personal recommendations for the awards.
4. New this year: Members chose not to discuss each individual proposal nor their personal recommended allocations as all agreed that the proposals were solid and worthy of funding. Instead, they discussed methods of distributing the allocation such as increasing the applicants' previous annual awards by 25% or requesting that the Council increase the allocation to allow for fully funding all proposals.

RECOMMENDATION: The LTAC recommends fully funding four proposals with the balance of the \$50,000 allocation going to the Whale Museum. The LTAC requests that the Council supplement the Whale Museum's award with any unused 2020 grant award funds up to the total amount requested in their proposal. Members also asked that the Council be informed of their readiness to hold additional meetings to discuss 2021 allocations.

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MEMBER ALLOCATIONS/FINAL RECOMMENDATIONS TO COUNCIL FOR 2021 LTAC GRANTS											
	Mark M.	Brian C.	David P.	Steve H.	Victoria C.	Misty T.	Barb S.	<i>Requested</i>	<i>All agreed</i>	<i>%</i>	FINAL
1	CMBR-WK							\$ 4,000	\$ 4,000	8%	\$ 4,000.00
2	WHALE							\$ 42,015	\$ 27,225	54%	\$ 27,225.00
3	SJ IMA							\$ 7,500	\$ 7,500	15%	\$ 7,500.00
4	AG GUILD							\$ 5,275	\$ 5,275	11%	\$ 5,275.00
5	SJCT							\$ 6,000	\$ 6,000	12%	\$ 6,000.00
		\$0	\$0	\$0	\$0	\$0	\$0	\$64,790	\$50,000	100%	\$50,000

The Council is asked to direct staff regarding any contract caveats due to unforeseeable pandemic repercussions in 2021 and direct the Finance Director to include the LTAC grant funding recommendations in the 2021 budget. ###