

**CITY OF KENNEWICK
LODGING TAX ADVISORY COMMITTEE MEETING
CASCADE CONFERENCE ROOM – CITY HALL
October 24, 2024**

Lodging Tax Advisory Committee Members Present:

Jim Millbauer, *Chair, Councilmember*
Corey Pearson, *Member*

Gretchen Guerrero, *Member*
Mike Brown, *Member*

City Staff Present:

Lisa Beaton, *Deputy City Manager*
Jessica Platt, *Finance Director*

Krystal Townsend, *City Clerk*

- 1. CALL TO ORDER:** Councilmember Millbauer called the meeting to order at 2:01 p.m. Ms. Townsend conducted a roll call and announced all members were present with the exception of Gabi Lopez Guerrero who had given notice she would likely not attend; a quorum was established.

VISITORS/PUBLIC COMMENT: None present.

- 2. MEETING MINUTES - OCTOBER 5, 2023**

MOTION:	Corey Pearson moved to approve the minutes as presented.
SECOND:	Gretchen Guerrero
DISCUSSION:	None.
VOTE:	The motion passed unanimously (4-0).

- 3. LTAC OVERVIEW AND FINANCIAL REPORT:** Ms. Townsend explained the financial report did not accurately reflect the amounts requested on the application. Ms. Townsend distributed a corrected expenditures calculation and described several corrections.

First, the \$400,000 listed for the Toyota Center Operations request should have been \$450,000 as requested in the application.

Next, the Toyota Center submitted an application for \$172,000 distributed in the packet as item 5 - Kennewick – Toyota Center & Arena – Supplemental; this was unlisted in the report and coversheet narrative.

Finally, the Washington State Golf Association event was included in the financial memo, but not the financial history report.

Together, these changes represent \$232,000 more than described in the original Lodging Tax Fund Financial History Report.

Ms. Townsend advised the financial report and staff memo are non-binding and that members should rely only upon the applications submitted.

Ms. Platt provided a detailed report of the expenditures from the last funding cycle together with 2025 anticipated revenue and estimated ending fund balances/reserves. She affirmed the estimated ending reserve balance exceeds the minimum amount required by law. No action was required or requested.

4. **APPLICATIONS FOR CONSIDERATION:** Ms. Townsend explained the application deadline was revised to provide three additional days to ensure no applications were sent to an inactive email address or desk. The revised date was advertised on the website. Ms. Townsend affirmed all applications were submitted on or before the revised deadline and stated state law requires 45 days between submission of applications to the LTAC members and final Council action. She explained Council would take action on December 3, 2024; 48 days after LTAC members received the meeting packet and applications.

LTAC members asked if it is a conflict of interest for applicants to vote on their own applications. Ms. Townsend stated the committee is established by state law and requires the appointment of two people from the hotel/motel industry and two from eligible recipients. All members are eligible to vote on the recommendation; City Council makes the final determination. Ms. Beaton concurred.

LTAC members reviewed the applications and took the following action:

APPLICATION #1 – Washington State Golf Association - \$10,000

MOTION:	Mike Brown moved to approve the funding application for the Washington State Golf Association in the amount of \$10,000.
SECOND:	Corey Pearson.
DISCUSSION:	Members briefly discussed the number of attendees versus the LTAC funds requested.
VOTE:	The motion passed unanimously (4-0).

APPLICATION #2 – City of Kennewick - Southridge Sports Complex - \$20,256

MOTION:	Mike Brown moved to approve the funding application for the Southridge Sports Complex in the amount of \$20,256.
SECOND:	Corey Pearson.
DISCUSSION:	Members spoke in support of the application and improvements to the complex.
VOTE:	The motion passed unanimously (4-0).

APPLICATION #3 – Visit Tri-Cities - \$299,000

MOTION:	Mike Brown moved to approve the funding application for Visit Tri-Cities in the amount of \$299,000.
SECOND:	Corey Pearson.
DISCUSSION:	None.
VOTE:	The motion passed unanimously (4-0).

After the vote, members inquired whether the LTAC award or the contract language controlled if additional funds are required. Ms. Beaton will research the matter if the situation arises and provide a recommendation.

APPLICATION #4 – City of Kennewick – Toyota Center - \$800,000

MOTION:	Mike Brown moved to approve the funding application for the Toyota Center in the amount of \$800,000.
SECOND:	Gretchen Guerrero.
DISCUSSION:	Members asked Mr. Pearson clarifying questions about the capital projects; Mr. Pearson described several necessary improvements.
VOTE:	The motion passed unanimously (4-0).

APPLICATION #5 – City of Kennewick – Toyota Center - \$172,000

MOTION:	Mike Brown moved to approve the funding application for the Toyota Center in the amount of \$172,000.
SECOND:	Gretchen Guerrero.
DISCUSSION:	None.
VOTE:	The motion passed unanimously (4-0).

- ADJOURNMENT:** There being no further business, Councilmember Millbauer concluded the meeting at 2:26 p.m.

Krystal Johnston

Krystal Johnston, CMC, CPRO
City Clerk