City Council Meeting Schedule October 2018

October 2, 2018		
	Tuesday, 6:30 p.m.	REGULAR COUNCIL MEETING
October 9, 2018		
	Tuesday, 6:10 p.m.	EXECUTIVE SESSION PER RCW 42.30.110(1)(i) Potential Litigation (20 minutes)
	Tuesday, 6:30 p.m.	WORKSHOP MEETING 1. 2019 TPA Budget & Marketing Plan 2. Employee & Community Relations Department Update 3. Finance Department Update
October 16, 2018		
	Tuesday, 6:30 p.m.	REGULAR COUNCIL MEETING
October 23, 2018		
	Tuesday, 6:30 p.m.	WORKSHOP MEETING 1. Water & Sewer Rate Update 2. IT Strategic Plan Update 3. Management Services Department Update 4. Public Works Department Update
October 30, 2018 Tuesday, 6:30 p.m.		WORKSHOP MEETING 1. 2019/2020 Biennial Budget Presentation 2. Property Tax Levy

To assure disabled persons the opportunity to participate in or benefit from City services, please provide twenty-four (24) hour advance notice for additional arrangements to reasonably accommodate special needs.

Please be advised that all Kennewick City Council Meetings are Audio Taped

Council Workshop Coversheet

Agenda Item Number	1.	Meeting Date	10/09/2018
Agenda Item Type	Presentation		
Subject	2019 TPA Budget and Marketing Plan		
Ordinance/Reso #		Contract #	
Project #		Permit #	
Department	City Manager		

- Info Only ☒
- Policy Review ☐
- Policy DevMnt ☐
- Other ☐

Summary

Michael Novakovich, President & CEO of Visit Tri-Cities will present the 2019 Tourism Promotion Area (TPA) Business and Marketing Plan, which was approved by the Hotel-Motel Commission.

Through	Terri Wright Oct 04, 08:39:29 GMT-0700 2018
Dept Head Approval	
City Mgr Approval	Marie Mosley Oct 04, 14:28:33 GMT-0700 2018

Attachments: 2019 Budget and Marketing Plan Presentation

TRI-CITY REGIONAL HOTEL-MOTEL COMMISSION

2019 Budget and Marketing Plan

Visit TRI-CITIES WASHINGTON

www.VisitTRI-CITIES.com

2019 Tourism Promotion Area Marketing Plan

Prepared by:

Visit TRI-CITIES

For:

City of Kennewick
City of Pasco
City of Richland

Please Note: The attached document reflects only those programs and costs associated with Tourism Promotion Area (TPA) funding. Visit TRI-CITIES manages many other aspects of tourism development which are funded by hotel and lodging taxes and membership investment. Such programs include, Rivershore Enhancement, Media Outreach, Visitor Services and Member Development.

Acknowledgements

Special thanks to the city managers and hoteliers that have dedicated staff time to support the Tri-City Regional Hotel-Motel Commission; these efforts have greatly contributed to the success of Visit TRI-CITIES and the management of the Tourism Promotion Area.

Tri-City Regional Hotel-Motel Commission:

Kennewick:
Mark Blotz, Clover Island Inn
Kathy Moore, SpringHill Suites by Marriott
Marie Mosley, Ex Officio, City of Kennewick

Pasco:
Monica Hammerberg, Hampton Inn & Suites Pasco / Tri-Cities
Vijay Patel, A1 Hospitality
Dave Zabell, Ex Officio, City of Pasco

Richland:
Jerry Beach, Courtyard by Marriott
Cody Opstedal, Home2 Suites by Hilton
Cindy Reents, Ex Officio, City of Richland

The Tourism Promotion Area is managed by Visit TRI-CITIES for the City of Kennewick, City of Pasco and the City of Richland.

Visit TRI-CITIES

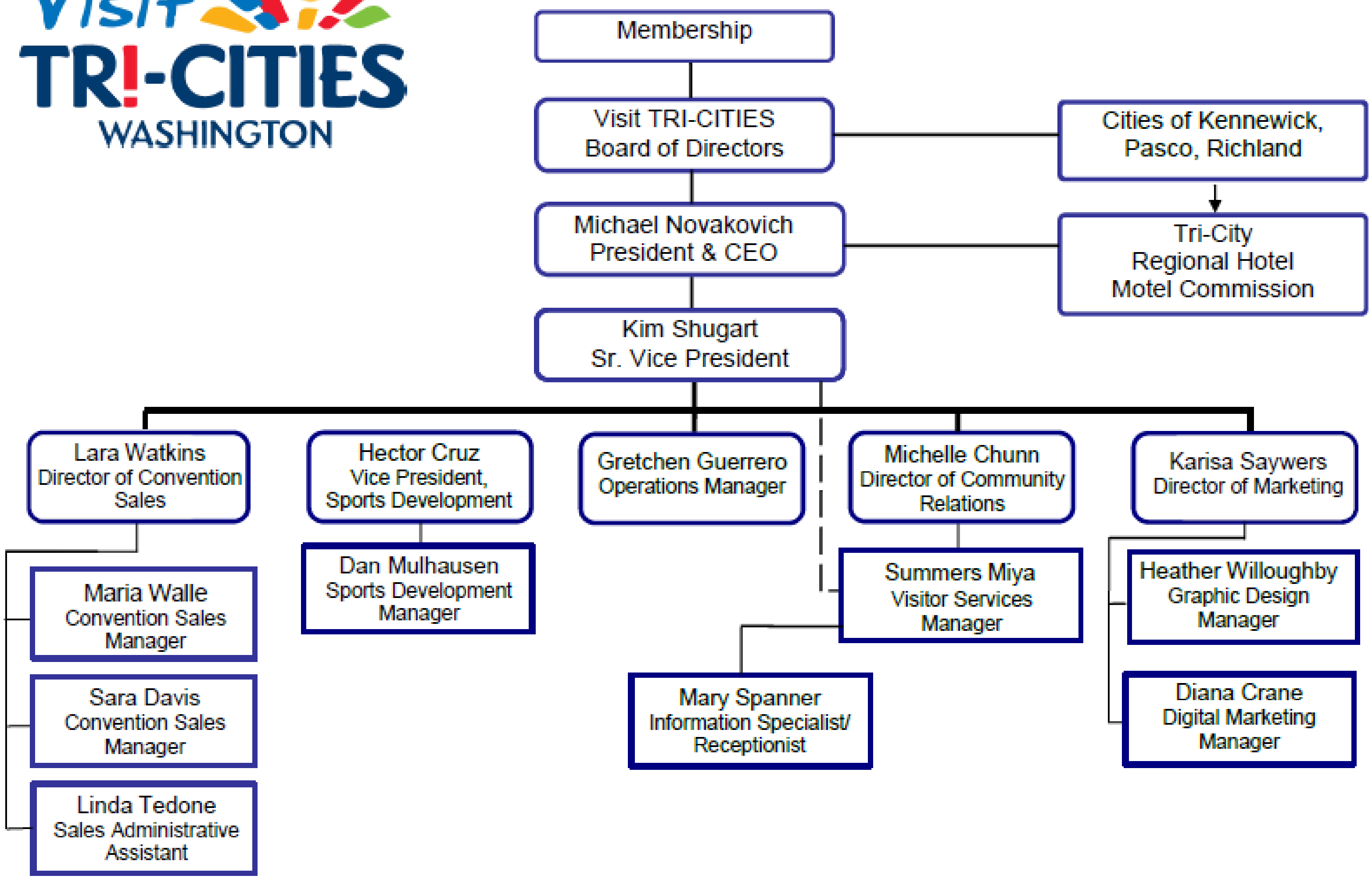
***Vision**: Visit TRI-CITIES shall be recognized as an organization that is an industry leader for destination marketing in the Pacific Northwest; the primary source of visitor information and the lead advocate for visitor industry development in the Tri-Cities region. We will pursue a competitive advantage for the destination in all market segments and we will adhere to our mission with a focus on leadership, innovation and results.*

As the premier marketing entity for the entire Tri-Cities community and region, we will deliver sales and marketing initiatives that are innovative and provide community direction through management practices that are considered top of class.

***Mission**: The mission of Visit TRI-CITIES is to promote, market and sell the region as a preferred destination to visitors. We will develop incremental visitation by promoting our destination products, programs and activities; the overall economic vitality of our communities and the quality of life of our citizens.*

Contents

Visit Tri-Cities Organization Chart



Tourism 2019: National Outlook

The U.S. hotel industry experienced record performance in the first quarter of 2018 according to Smith Travel Research (STR). Much of the revenue growth was tied to increase in average daily rates (+2.5%) which contributed to a 3.5% RevPar growth. There is concern however that the performance in early 2018 is the result of a one-time boost attributed to post hurricane (Harvey and Irma) residual hotel stays in the southern states as the rebuild process extended into first quarter. Regardless, Jan Freitag, senior vice president for STR stated in April of this year, “When we parse through all of these performance factors, we see that growth is continuing at a healthy pace, and we are now at 97 consecutive months with a RevPar increase.”

The industry is projected to post record-breaking performance levels across the U.S. through 2019 as reported by Tourism Economics at the Americas Lodging Investment Summit earlier this year. Given that the supply growth has slowed from recent year levels, and pricing power is showing an uptick, the industry should see positive performance.

	2018 Forecast	2019 Forecast
Supply	+2.0%	+1.9%
Demand	+2.4%	+2.0%
Occupancy	+0.4%	+0.1%
ADR	+2.5%	+2.3%
RevPar	+2.9%	+2.4%

Source: 2018 Smith Travel Research

U.S. Hotel Occupancy Performance

2017	2018 Forecast	2019 Forecast
65.95%	66.2%	66.27%

Tourism 2019: Regional Outlook

As with any statistical analysis, it is important to look below the surface when evaluating the strength of the tourism industry by reviewing hotel occupancy rates. At first blush, a decline in occupancy would be alarming, indicating that fewer people were traveling and staying in hotels. However, there is a common theme across the Pacific Northwest as it relates to declining hotel occupancies, and it is not necessarily bad news.

For example, in Bellingham, which experienced the doubling of hotel guest room supply from 2012 to 2018, hotel occupancies have dropped from 76% in 2012 to 64% in 2018. In Bellevue, where six hotels have opened since 2014, occupancies have dropped from 76% to 70% in 2018. In each of these cases, the number of hotel rooms sold remained the same or increased, but with more guest rooms available in the market, the occupancy rates declined, even though more visitors were coming into the area. In Seattle, year to date through June of 2018, occupancy is down 1.8% to prior year, but the number of hotel rooms sold over the same time period has actually increased by 44,487 room night stays.

Seattle continues to invest in expanding the infrastructure to secure national and international meetings and conventions. In August the expansion to the Washington State Convention Center, known as the Summit Building, broke ground.
The project is slated to be completed by 2022 and is projected to increase the economic impact of tourism spending in Seattle by $260 million per year and add $19 million per year in sales tax revenue.

Travel Portland reports that inventory of hotel rooms is expected to increase by 40% prior to 2020 and the number of confirmed projects underway supports this projection. In 2018 there are five new hotels and one hotel expansion taking place that will add 916 rooms in Portland and in 2019 a 600 guest room Hyatt Hotel will be built adjacent to the Oregon Convention Center.

These developments are important to note for two reasons. First, it underscores the importance of investing in public meeting facilities to remain competitive in the convention and meetings segment of tourism development. The second thing to be aware of is the level of competition that smaller markets, like Tri-Cities, will likely experience as individual hotels in large cities aggressively pursue statewide conventions to fill the void created by the rapid growth of hotel rooms available.

2018 Performance January – June				
	OCC	**ADR**	**RevPAR**	**RevPAR Vs. Prior Year**
Seattle	**80.6%**	**$183.69**	**$148.14**	**+1.7%**
Spokane	**63.3%**	**$108.94**	**$68.98**	**+6.6%**
Tacoma	**67.7%**	**$102.17**	**$72.39**	**+5.5%**
Tri-Cities	**63.9%**	**$92.58**	**$59.19**	**+5.0%**
Vancouver	**71.7%**	**$110.31**	**$79.13**	**-1.5%**
Yakima	**59.5%**	**$95.47**	**$56.79**	**+6.5%**

Tourism 2019: Tri-Cities Area Outlook

Just as we have seen in other cities around the Northwest and across the United States, there has been aggressive growth in the number of hotel rooms added to the market since 2014. With the number of hotel rooms available increasing by 18% since 2014, individual hotels are feeling the effects, although the number of rooms sold has increased. Through the first six months of 2018 the number of rooms sold has increased by 7,900 over prior year as reported by Smith Travel Research.

	2015	2016	2017	2018	2019
Number of Available Hotel Rooms	3,867	3,989	4,191	4,191	4,285
Increase to prior year	+8.8%	+3.2%	+5.0%	+0.0%	+2.2%

The growth of hotel rooms in the Tri-Cities will continue in 2019. Early in the year a 94 room Comfort Inn will open at Southridge in Kennewick, while in Pasco a 99 room Courtyard by Marriott is slated to break ground, with completion expected in 2020.

The much-needed expansion of the Three Rivers Convention Center continues to allude the community. Voters have thrice rejected a .002 increase in sales tax to fund an expansion and at this time there does not appear to be a clear path forward.

This is concerning as some of the larger conventions that make up the clientele for the Convention Center are outgrowing the existing space at the same time neighboring communities are trying to woo them with recently renovated and expanded products. To mitigate this, Visit Tri-Cities Convention Sales staff members will be charged with targeting new mid-sized conventions and developing new markets through a combination of new advertising initiatives, incentives and prospecting.

The popularity of youth sports continues to flourish and although the age and quality of local sports complexes is quite good and the region is popular with tournament directors; there is still a need for more and varied types of facilities in order to grow the number of sports tournaments taking place in the Tri-Cities. In early 2019, with the help of TPA Reserve Funding, Visit Tri-Cities will act as a convener for local jurisdictions to facilitate the selection of a company to conduct a feasibility study on what types of facilities are needed, as well as what the demand and return on investment is for the facilities that are identified.

Competitive Situation Analysis

In order to promote the Tri-Cities as a preferred destination for group, business and leisure travelers, it is important to recognize both the strengths and challenges within our community and to set sales strategies accordingly.

Convention & Sports

Strengths

1. **Three large public venues: Three Rivers Convention Center; Toyota Center & TRAC Center.**
2. **Variety of hotel choices and national brands; something for every budget.**
3. **Strong Sports Council.**
4. **Competitive pricing compared to Seattle, Vancouver, Tacoma and Spokane.**
5. **Easy access to venues with minimal travel time within the Tri-Cities.**
6. **Ample complimentary parking available.**
7. **Opportunity fund available for qualifying convention and sports groups.**
8. **Strong hotel industry support and successful TPA program.**
9. **Positive relationship and communication between VTC, hotels and meeting venues.**

Challenges

1. **Distance from Greater Seattle Area vs. competition.**
2. **The absence of a single hotel capable of hosting 300+ delegates for overnight guestrooms.**
3. **Guest room rates are slightly higher than some competing destinations for group bookings (Yakima, Wenatchee).**
4. **Number of meeting rooms and exhibit space available at public meeting venues.**
5. **Expansion of the Spokane Convention Center with attached 716 room convention hotel. Yakima looking to expand their convention center by 51,000 sq. ft.**
6. **New multi-use sports facilities added in competing destinations (SoZo in Yakima; Spokane Sportsplex in 2019).**
7. **Competing destinations such as Yakima and Spokane offer more rooms within walking distance to the convention center.**
8. **Funding needed to expand Three Rivers Convention Center.**
9. **Lack of resort-style hotels to compete with resort destinations.**

Leisure Travel

Strengths

1. **Location in the Heart of Washington Wine Country.**
2. **Manhattan Project National Historical Park.**
3. **Great media coverage for the Tri-Cities due to travel writer outreach.**
4. **Growing interest and availability of Hanford B Reactor tours.**
5. **Popularity of STEM Tourism.**
6. **Increase in development of retail and restaurant businesses.**
7. **Attractiveness of river shore and trail system.**
8. **Great attractions such as The REACH, Carousel of Dreams and Columbia Gardens Urban Wine & Artisan Village.**
9. **Weather.**
10. **Water2Wine cruise ship offering Sunday brunch, lunch, dinner and sunset cruises.**

Challenges

1. **Demand can be very seasonal.**
2. **Difficult to track as a market segment.**
3. **Price of airfare and inconvenience of air travel.**
4. **Leisure travel is more budget sensitive than convention or business travel, which are seen as necessary.**
5. **Perception of mountain snow and winter driving conditions November – April.**
6. **Heavy weekend traffic along I-90/Snoqualmie Pass.**

Business Travel

Strengths

1. **Less price sensitive for airfare and hotels.**
2. **Visit TRI-CITIES can target groups to "fill in" around high demand periods (Tuesday-Thursday.)**
3. **Direct flights from Minneapolis, Denver, Salt Lake City, Seattle, Mesa/Phoenix, and San Francisco.**
4. **Forecast for Hanford is stable.**
5. **Recently expanded Tri-Cities Airport.**

Challenges

1. **Destination choice not influenced by outside forces.**
2. **Very dependent on Hanford business trends.**
3. **Mostly mid-week travel.**

Group Business Sales Strategies

Given the increase in the number of hotel guest rooms available in the Tri-Cities, it is of little surprise that group business (conventions, sports tournaments, tour groups) is of utmost importance to hoteliers. Group business is highly desirable because most times, especially with sports tournaments, the delegates require rooms on weekends, which has been defined as a "need period" by those hotels contributing to the tourism promotion assessment.

The results of the 2019 marketing survey sent to hotels that collect tourism promotion assessments (hotels with more than 40 rooms) showed that 100% of respondents rated group business as either important (6.25%) or very important (93.75%). The direction was clear: "We want more conventions and sports tournaments."

The biggest challenge in growing the number and types of conventions that take place in the Tri-Cities is due to the capacity constraints of the Three Rivers Convention Center. Many of the existing groups such as the Washington Wine Growers, the Washington-Oregon Potato Conference and the Washington State Tree Fruit Association have expressed that they are outgrowing the current facilities; while other groups such as Washington Association of School Business Officials (with 580 delegates), Pacific Northwest Clean Water Association (with 800 delegates) and Washington Association of Career & Technical Education (with 600 delegates) have large events and the existing facilities are not adequate for them to even consider the Tri-Cities as a destination. There is an urgent need to expand the convention center.

Of all the group segments, sports tournaments are perhaps the most popular with hotels for two reasons. First, most sporting events take place on the weekends, when business travel is low; and second, although teams usually pile many players in each room, they share expenses so they are less rate sensitive than other groups. Additionally, sports groups tend to use multiple hotel properties to accommodate their events. The cities have continued to invest in the infrastructure which allows the Tri-Cities to remain competitive. The ability to successfully host outdoor events due to the good weather only strengthens that position.

In 2019 Visit Tri-Cities Staff will continue to work with the cities to secure a feasibility study to research if the number of sports tournaments booked would benefit from upgrading facilities, including adding artificial turf to playfields.

Request for Proposal (RFP) Production

Each year the Visit Tri-Cities sports and convention sales managers issue qualified leads to hotel and meeting partners. The table below outlines the production of leads by quarter, the actual arrival of the events (if they can be converted) ranges on average from one to five years in the future.

	2015	2016	2017	2018	2019
Leads Issued					
Qtr 1	41	52	64	54	60*
Qtr 2	65	69	62	66	65*
Qtr 3	49	63	58	70*	70*
Qtr 4	63	75	70	70*	70*
Total	**218**	**259**	**254**	**260***	**265***

* Estimated production

Converted Bookings

The table below refers to the number of sporting events and conventions booked each year, by quarter. The leads generated to initiate these converted bookings are issued one to three years prior to the event being booked. The arrival dates for these events range from taking place in the same year they are booked, to taking place five (or more) years in the future.

	2015	2016	2017	2018	2019
Leads Converted					
Qtr 1	35	40	49	38	41*
Qtr 2	61	52	46	46	47*
Qtr 3	32	29	43	42*	43*
Qtr 4	57	76	55	64*	64*
Total	**185**	**197**	**193**	**190***	**195***

* Estimated production

Request for Proposal Lost Business Analysis

(July 2017 - June 2018)

Selected another city due to:

	July 2015 – June 2016	July 2016 – June 2017	July 2017 – June 2018
Preferred Date Not Available	1	4	5
Location Preference	19	23	28
Price of Hotels	1	0	0
Overall Cost	7	6	11
Convenience of Location	7	6	7
# of Hotel Rooms Next to Convention Center	0	1	0
Resort Setting	2	3	3
Lack of Adequate Public Meeting Space	2	6	3
Event Cancelled/Postponed	8	12	15
Other	12	8	6
Total Bookings Lost:	59	69	78
Total Room Nights Lost:	18,337	22,559	29,053

Estimated Loss of Visitor Spending to the Local Economy:

	$9,204,415	$9,809,022	$14,489,232

Request for Proposal Lost Business Analysis

(July 2017 - June 2018)

Cities/locations business was lost to:

	July 2015 – June 2016	July 2016 – June 2017	July 2017 – June 2018
Spokane	7	11	5
Resort	7	13	10
Wenatchee*	4	5	10
Walla Walla*	1	3	3
Seattle	1	2	1
Yakima*	11	3	10
Tacoma	2	3	1
Vancouver*	2	5	4
Other*	16	12	19
Cancelled/Postponed	8	12	15
Total	59	69	78

*****The total lost business for these destinations include multi-year bookings; 5 organizations signed 2-year contracts representing a total of 10 request for proposals lost and 3 organizations signed 3-year contracts representing a total of 9 request for proposals lost.

Staffing Comparative (Sales Team)

VISIT SPOKANE AND SPOKANE SPORTS COMMISSION

3	Director of Sales
4	Director of National Accounts
1	Director of Group Travel
1	National Account Sales Manager
3	Sales Associates
2	Full Time Sports Commission Sales Staff
14	**Total Full Time Sales Staff**

VISIT TRI-CITIES

1	Vice President, Sports Development
1	Director of Convention Sales
2	Convention Sales Managers
1	Sports Development Manager
5	**Total Full Time Sales Staff**

VISIT VANCOUVER USA

1	Director of Business Development
2	Business Development Managers
3	**Total Full Time Sales Staff**

YAKIMA VALLEY TOURISM

1	Director of Convention Sales
1	Sr. Sales Manager
1	Convention Sales Manager
1	Director of Sports Development
1	Sports Development Manager
5	**Total Full Time Sales Staff**

Guest Room Productivity

Market Segments	2017 Actuals	2018 Forecasted Productivity	2019 Goals
Citywide Conventions	12,458	13,000	14,000
Single Property Meetings & Conventions	14,984	15,000	16,000
Sporting Events	23,392	24,000	26,000
Total	50,834	52,000	56,000

Return on Investment

Economic Impact of Groups Booked in 2019 for Future

Conventions: (see page 16)	$ 6,750,000
Sports: (see page 20)	$ 7,800,000
	$ 14,550,000

2019 Investment in Convention & Sports Marketing: $ 716,977
(see page 27)

Return on each dollar invested: $20.29

Destination Marketing Funding Comparative

The following chart provides a **total budget** comparative (including Hotel Motel Tax, Membership Investments and Tourism Promotion Assessment) in key competitive markets:

Competing City	**Bureau Budget**	**Number of Hotel Rooms**	**$ Spent per Room**
Visit Seattle & Sports Council	$23,285,016	13,485	$1,727
Yakima Valley Tourism	$2,806,300	1,768	$1,587
Walla Walla Tourism	$1,107,000	1,130	$980
Visit Spokane & Sports Council	$6,457,294	7,890	$818
Travel Tacoma & Sports Council	$4,000,000	6,111	$655
Visit Tri-Cities	$2,486,509	4,191	$593
Visit Vancouver USA	$1,550,999	2,900	$535
Bellingham Whatcom Co. Tourism	$1,331,077	2,492	$534
Seattle Southside Tourism Authority	$4,200,000	8,421	$499
Snohomish County Tourism	$1,303,131	6,740	$193
Visit Bellevue Washington	$925,000	5,275	$175

The following chart provides a comparative for Hotel Motel Tax investments only for each destination marketing organization within key competitor markets:

Competing City	Hotel Motel Tax	Number of Hotel Rooms	$ Spent per Room
Visit Seattle & Sports Council	$11,642,510	13,485	$863
Walla Walla Tourism	$670,000	1,130*	$593
Bellingham Whatcom Co. Tourism	$1,121,456	2,492	$450
Visit Spokane & Sports Council	$2,018,064	6,795*	$297
Yakima Valley Tourism	$520,100	1,768	$294
Travel Tacoma & Sports Council	$1,550,000	6,111	$254
Visit Bellevue Washington	$813,500	5,275	$154
Visit Tri-Cities	$608,306	4,191	$145
Snohomish County Tourism	$916,667	6,740	$136
Seattle Southside Tourism Authority	$942,500	8,421	$112
Visit Vancouver USA	$314,666	2,900	$109

The following chart provides a comparative for Tourism Promotion Assessments only for each destination marketing organization within key competitor markets:

Competing City	TPA Collection	Number of Hotel Rooms	$ Spent per Room
Visit Seattle & Sports Council	$7,580,000	13,485	$562
Visit Vancouver USA	$1,227,933	2,900	$423
Walla Walla Tourism	$375,000	930*	$403
Yakima Valley Tourism	$688,500	1,768	$389
Visit Tri-Cities	$1,627,374	4,191	$388
Seattle Southside Tourism Authority	$3,257,500	8,421	$387
Visit Spokane & Sports Council	$2,239,519	6,008*	$373
Travel Tacoma & Sports Commission	$1,000,000	5,712*	$175
Snohomish County Tourism	$336,464	6,740	$50
Visit Bellevue Washington	$0	5,275	$0
Bellingham Whatcom Co. Tourism	$0	2,492	$0

**Not all hotels contribute to the Hotel Motel Tax and/or Tourism Promotion Assessment.*

Meetings & Conventions

Includes:
1 FTE Director of Sales
2 FTE Convention Sales Managers
1 FTE Convention Sales Assistant

2019 Actions:

- **Sales Blitz:** Develop two multi-day sales blitzes events in Olympia (Spring and Fall), encourage hotel participation in Spring Blitz.
- **Customer Events:** Organize meeting planner customer luncheon in the spring to promote the Tri-Cities as a destination. Event to be held in conjunction with the Olympia Spring Sales Blitz.
- **Sales Calls:** Two sales trips to the greater Seattle/Puget Sound area.
- **Meeting Planner FAM Tours:** Host qualified meeting planners for individual, customized FAM tours.
- **Relationships:** Continue staff attendance at Washington Society of Association Executives (WSAE) and Professional Convention Management Association (PCMA) monthly/quarterly meetings to strengthen relationship with key meeting planners.
- **New Markets:** Attend the 2019 National Tour Association Annual Convention.
- **Digital:** With the addition of a Digital Marketing Manager we will implement new advertising campaigns through geo locating, consumer search habits and re-targeting.
- **Promote the Destination:** Sponsor events at the annual conventions for WSAE, MPI and NTA.
- **Advertise:** Place advertising in WSAE, MPI, PCMA, Convene DMA West Special Section and Northwest Meetings & Events publications. Purchase enhanced listing on Cvent website. Add Meetings News Northwest ads.
- **New Business:** Increase the investment in the incentive program to focus sales managers on the pursuit of conferences and events that have never previously been held in the Tri-Cities with increased rewards for room night production.
- **Marketing Fund:** Utilize the Opportunity Fund specifically to offset costs for conventions that block more than 250 rooms per night.
- **Network:** Attend the annual conventions for WSAE, MPI, Your Military Reunions Market Place and Society of Government Meeting Planners.

Performance Measures

- 30,000 Guest rooms booked
- Direct hotel spending of $3,270,000
- Economic impact of $6,750,000

CONVENTION, TOUR, AND GROUP SALES

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Advertising	$2,500	$1,995	$0	$3,895	$0	$7,300	$3,100	$0	$12,000	$11,395	$0	$6,195	$48,380
Travel	$200	$2,500	$3,200	$700	$2,700	$2,530	$3,200	$2,200	$2,200	$900	$200	$1,800	$22,330
Trade Show	$1,075	$1,000	$0	$0	$800	$0	$695	$0	$3,195	$1,600	$0	$0	$8,365
Staff Development	$0	$1,000	$0	$0	$1,000	$0	$0	$1,000	$1,000	$0	$0	$0	$4,000
Promo items	$0	$750	$0	$0	$0	$0	$400	$350	$400	$0	$0	$0	$1,900
Dues/Subsc.	$2,800	$950	$485	$400	$195	$530	$0	$0	$0	$700	$0	$375	6,435
Totals:	$6,575	$8,195	$3,685	$4,995	$4,695	$10,360	$7,395	$3,550	$18,795	$14,595	$200	$8,370	$91,410

Advertising:
Misc. Ad projects: $600 in Feb and July = $1,200
DMA West Western Destination Guide Convene = $4,800 (Dec)
Cvent – enhanced listing on meeting planner website = $12,000 (Sept)
DMAI –EmpowerMINT = $7,300 (Jun)
Northwest Meetings and Events: ($2,500 each in Jan, Apr, July and Oct) = $10,000
Meetings News Northwest: ($1,395 each (1/4 page) in Feb, Apr, Oct and Dec) = $5,580

Travel:
Mileage stipend at $200/month for site inspections and meetings = $2,400
Professional Convention Management Association: attend 2 meetings per year; Apr and June at $500 each = $1,000
Washington Society of Association Execs: attend 2 meetings per year; May and Oct at $500 each = $1,000
Meeting Planners Intl.: Annual Convention: hotel, meals, and flight = $1,000 (Mar)
Olympia Spring Sales Blitz: $500 per staff person, 4 people = $2,000 (Mar)
Washington Society of Association Execs Convention: hotel, meals, travel for 2 staff @ $650 each = $1,300 (Jun)
Olympia Fall Sales Blitz: $400 per staff person, 3 people = $1,200 (Oct)
Training Classes: continuing education courses for 4 staff, hotel, meals and travel @ $2,000 per session (Feb, May, Aug and Sept) = $8,000
Society of Government Meeting Professionals Winter Workshop: hotel, meals, travel= $300 (Feb)
Military Reunion Connection Marketplace: hotel, meals, travel = $530 (July)
National Tour Association: hotel, meals, travel = $1,600 (Dec)
Northwest Event Show: 2 staff @ $350 each = $700 (Oct)

Trade Shows:

Meeting Planner Intl.: Registration ($300), buyer program ($675) fees = $975 (Jan)
Meeting Planner Intl.: Sponsorship = $1,000 (Feb)
Washington Society of Association Executives: Convention registration for 2 staff @ $400 each = $800 (May)
Society of Government Meeting Professionals Winter Workshop: registration = $100 (Jan)
Your Military Reunion Connection Marketplace = $695 (July)
National Tour Association = $1,600 (Oct)
Northwest Event Show: registration = $3,195 (Sept)

Staff Development:

Continuing Education Training Courses: 4 staff to attend, $1,000 registration in Feb, May and Sept = $4,000

Promo Items:

Amenities: $400: Feb, July and Sept = $1,200
Logo'd items: $350 in Feb and Aug = $700

Dues and Subscriptions:

Washington Society Association Executives Sapphire level sponsorship: $2,550 (Jan)
Washington Society Association Executives Dues: $265 each for 2 staff due = $530 (June)
Meeting Planners International Dues: $375 (Dec)
Society Government Meeting Professionals Dues: $400 (Apr)
Religious Conference Management Association Dues: $195 (May)
Professional Conference Management Association Dues $485 (Mar)
National Tour Association Dues $700 (Feb)
Christian Meetings & Conventions Association Dues: $250 (Jan)
Military Reunion Connection Dues: $250 (Feb)
NTA Sponsorship: $700 (Oct)

CONVENTION, TOUR, AND GROUP SALES – *Items Not Included in TPA Budget**

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Customer Events	$0	$0	$5,000	$0	$1,775	$0	$0	$0	$2,000	$500	$0	$0	$9,275
Hotels and Airfare	$0	$0	$1,140	$0	$800	$340	$340	$0	$340	$740	$0	$0	$3,700
Entertaining	$250	$250	$750	$250	$750	$250	$250	$250	$750	$250	$250	$250	$4,500
Gifts	$100	$100	$100	$50	$100	$100	$100	$50	$100	$100	$100	$50	$1,050
Total	$350	$350	$6,990	$300	$3,425	$690	$690	$300	$3,190	$1,590	$350	$300	$18,525

Customer Events:

Customer events in Olympia: $5,000 (Mar)
Planner FAM event: $2,000 (Sept)
Association of Public Safety Communications Officials Sponsored Break: $500 (Oct)
Washington Society of Association Executives (WSAE) Sponsorship of Opening Breakfast: $1,775 (May)

Hotels and Airfare:

Hotel rooms for visiting meeting planners, where comps not available: 10 rooms for 2 nights @ $85 = $1,700 ($340 in Mar, June, July, Sept, and Oct)
Meeting Planner Fly-In: 5 airfares @ $400 each, 2 per month in Mar, May, and 1 in Oct = $2,000

Entertaining:

Hosted board meetings for decision makers: meals, tours, $500 each in Mar, May, Sept = $1,500
Meals with meeting planners: $250 per month = $3,000

Gifts:

Gift Baskets: $50-$100 per month = $1,050

Note: Items included in Visit TRI-CITIES' general membership budget (private sector).

Sports Events

Includes:
1 FTE Vice President, Sports Development
1 FTE Sports Development Manager

2019 Actions

- **Sports Council:** Organize and administer activities for the Tri-Cities Sports Council.
- **Advertising:** Place print and digital advertising as appropriate in publications such as: Sports Events, Sports Destination Management, and Connect Sports.
- **Sales Blitz:** Conduct sales calls in October in the greater Seattle area.
- **Promote Resources:** Reprint and update the sports facilities guide.
- **FAM Tours & Services:** Arrange site inspections for tournament planners, provide tools and information for promotional purposes and communicate with tournament planners during their event.
- **Opportunity Fund:** Utilize the opportunity fund specifically to offset tournament costs for groups that block more than 300 rooms per night city-wide.
- **Tradeshows:** Promote the Tri-Cities as a premier sports destination at National Tradeshow Events such as Teams, S.P.O.R.T.S, Connect Sports Marketplace, eSportsTravel Summit, and National Association of Sports Commissions.
- **Promote the Destination:** Sponsor events at annual national sports tradeshows.
- **Bidding Fees:** Bid on new regional/national level tournaments that demand bidding fees to host events.

Performance Measures

- 26,000 Guest rooms booked
- Direct hotel spending of $3,250,000
- Economic impact of $7,800,000

SPORTS GROUP SALES

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Advertising	$100	$0	$170	$0	$400	$800	$0	$0	$0	$0	$300	$1,170	$2,940
Bidding Fees	$0	$0	$0	$0	$16,000	$0	$0	$5,000	$0	$0	$0	$0	$21,000
Travel	$75	$75	$75	$2,555	$75	$75	$3,565	$1,875	$1,820	$1,820	$75	$75	$12,160
Trade Show	$13,390	$11,000	$6,400	$0	$0	$0	$0	$0	$0	$0	$0	$0	$30,790
Staff Development	$0	$0	$0	$0	$1,000	$0	$1,000	$0	$0	$0	$0	$0	$2,000
Promo items	$0	$0	$0	$200	$0	$0	$0	$0	$0	$0	$0	$0	$200
Dues/Subsc.	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$795	$795
Totals:	$13,565	$11,075	$6,645	$2,755	$17,475	$875	$4,565	$6,875	$1,820	$1,820	$375	$2,040	$69,885

Advertising:
Miscellaneous Ads to support tournaments: $1,000 ($100 Jan; $170 Mar; $400 May; $300 Nov; $170 Dec)
Sports Events Magazine Featured Listing = $1,000 (Dec)
Printed Sports Facilities Map = $800 (Jun)

Bidding Fees:
Senior Softball USA Regional Championship = $10,000 (May)
US Lacrosse National Team Development Regional Camp = $5,000 (Aug)
National Association of Intercollegiate Athletics, Softball Opening Rounds = $6,000 (May)

Travel:
Monthly Mileage Stipend: $75/month = $900
National Association of Sports Commissions (NASC) Symposium: $1,240 per staff (Hotel-$180 x 3 = $540; Airfare-$575; Meals-$125) x 2 staff =$2,480 (Apr)
TEAMS Conference: (Hotel-$180 x 4 =$720; Airfare-$875; Meals-$150) = $1,745 (Oct)
S.P.O.R.T.S-Relationship Conference: (Hotel-$180 x 4 =$720; Airfare-$875; Meals-$150) = $1,745 (Sept)
Connect Sports Marketplace: (Hotel = $950, Airfare = $700, Meals = $150) = $1,800 (Aug)
eSportsTravel Summit: (Hotel-$180 x 3 =$540; Airfare-$800; Meals-$150) = $1,490 (July)
Staff Development, Continuing Education Travel: $2,000 in May and July = $4,000

Trade Show:
TEAMS Conference: registration = $2,600 (Feb)
TEAMS Conference: sponsorship = $7,400 (Feb)
S.P.O.R.T.S-Relationship Conference: registration $1,400, sponsorship $5,000 = $6,400 (Mar)
National Association of Sports Commissions (NASC) Symposium: $1,395 for staff #1, $995 for staff #2 = $2,390 (Jan)
Connect Sports Marketplace: registration $4,250, sponsorship $6,750 = $11,000 (Jan)
eSportsTravel Summit: registration = $1,000 (Feb)

Staff Development:
Continuing Education Training Courses: 2 staff to attend, $1,000 registration in May and July = $2,000

Promo Items:
Sports Amenities: $200 (Apr)

Dues and Subscriptions:
National Association of Sports Commissions (NASC) Membership: $795 (Dec)

SPORTS EVENT SALES – *Items Not Included in TPA Budget **

Customer Events and Entertainment:
Customer Entertainment: $50/month = $600
Sports Gifts: $50/Month = $600

Note: Items included in Visit TRI-CITIES' general membership budget (private sector).

Housing & Group Services

Our group sales strategies include support personnel to help achieve repeat bookings by facilitating and supporting meeting and event planners, ensuring that expectations are exceeded from initial booking through culmination of the event; and that their attendees' visit is a positive experience. We offer registration and reservation assistance to large conventions, making it easier for event planners to host their events here. Housing also increases customer satisfaction for individual travelers through reservation assistance during peak season. Satisfied individual travelers create a positive image of our destination through word of mouth and return travel in off-peak months.

2019 Actions

- **Hot Dates Program:** Coordinate Hot Dates Program; maximizing hotel occupancy during peak season. Assist group and individual travelers find guest rooms within the Tri-Cities. Manage guest room inventory of all hotels within Tri-Cities and act as liaison between hotel partners and guests.
- **VisitTRI-CITIES.com Website:** Support day-to-day management of Visit TRI-CITIES website including creating, developing and managing content, maintain consistent look and feel throughout website, and coordinate web projects across departments.
- **Show Your Badge VIP Program:** Manage all functions of program including securing discounts/specials at member businesses, gathering group information, continuing on-going communications with member businesses and event planners, and tracking.
- **Reporting:** Handle all group tracking including data entry, inventory, keeping files on housing operations and continuing on-going communications with the hotel/DOS reservation personnel. Report on aRes Travel On-line Booking system guestroom reservation activity. Post event reports will be used by the TPA commission to determine and validate the funding appropriations for applicants and payment from the opportunity fund.
- **Group Services:** Establish contact with sports and convention planners who are scheduled to bring groups into the area; develop service promotion package to be sent to planners of forthcoming events; maintain routine written, telephone, and personal contact with the clients, oversees maintenance of all client files.
- **Customer Service Surveys:** Follow up with planners/tournament directors post-event to determine strengths/weakness of delivery of hospitality goods & service.
- **Promote the Destination:** Help build attendance and promote tourism through supply of customized booth materials and scheduling of displays.
- **Sales Staff Support:** Create and distribute all sporting event leads and updates to hotels.

HOUSING & GROUP SERVICES

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Travel	$30	$30	$50	$50	$50	$50	$50	$50	$50	$50	$45	$30	$535
Promo Items	$2,160	$0	$0	$0	$0	$240	$0	$0	$0	$0	$0	$0	$2,400
Totals:	$2,190	$30	$50	$50	$50	$290	$50	$50	$50	$50	$45	$30	$2,935

Travel:
Mileage for Convention & Sports Services = $535

Promo Items:
Registration Bags – 6,000 @ $.36 = $2,160 (Jan)
Sunglasses = $240 (June)

Tourism Development

2019 Actions

- **Website:** The Visit TRI-CITIES website, www.VisitTRI-CITIES.com, has experienced phenomenal growth in the number of unique visits and pageviews due in part to a dedicated search engine optimization strategy and digital advertising campaigns. The website is Visit TRI-CITIES' most important marketing tool and print, television, and digital advertising campaigns all direct to the website as the "call to action." Recent improvements, such as the itinerary builder (UTRIP) enhance the user experience. The recent addition of a Digital Marketing Manager will allow for increased blogging, vlogging, video content and social media platform engagement.

- **Promote the Destination:** Promote increased leisure travel through development of campaigns targeting wine enthusiasts, golfers, outdoor adventurers and cyclists. Visit TRI-CITIES will continue to lead the efforts for branding and marketing the Manhattan Project National Historical Park.

- **Travel Tradeshows:** Target travel and golf related tradeshows in key Northwest markets; participate in one tradeshow to promote the national park; and promote wine tourism through Taste Washington and Vintage Spokane.

- **Materials:** Publications including the Official Tri-Cities Visitor Guide, the Golf in Washington Wine Country brochure, and the Shop, Wine & Dine brochure all support the Tri-Cities brand and are targeted to key markets to increase visitor spending. These publications will be released in six-month intervals to complement each other and maximize their timeliness. Electronic versions are also posted to www.VisitTRI-CITIES.com.

- **Advertise:** The successful Puget Sound region television ad campaign will be joined by both spring and fall campaigns in Portland, Spokane and Boise. Digital and social media advertising will supplement the traditional advertising campaigns.

- **Social Media**: Visit TRI-CITIES promotes the destination and activities of the Tri-Cities Wine Tourism Council through Tri-Cities WA (22,630 followers) on Facebook, as well as through Twitter, Instagram and Pinterest. In 2019 we will increase live video postings and add content to all formats.

- **Tri-Cities Wine Tourism Council:** There has long been the need to assist wine industry related businesses in becoming more cohesive and organized in order to market the region. Visit TRI-CITIES staff provides management and leadership for the Tri-Cities Wine Tourism Council, which works on marketing projects designed to increase wine tourism.

- **Packages:** Work with member hotels to showcase their existing packages to travel media and on the Visit TRI-CITIES website.

- **Consumer e-News:** User generated content on the website and social media channels will be supplemented by quarterly consumer newsletters targeted to interest groups (outdoor recreation, wine, science) to compel readers to plan leisure travel to the region.

TOURISM DEVELOPMENT

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Advertising	$5,800	$27,300	$13,550	$21,050	$48,000	$44,100	$13,800	$50,300	$37,800	$4,550	$3,800	$1,450	$271,500
Travel	$0	$2,750	$4,700	$0	$0	$0	$0	$0	$3,000	$0	$0	$0	$10,450
Staff Development	$0	$0	$1,000	$0	$1,000	$0	$1,000	$0	$1,000	$0	$0	$0	$4,000
Trade Show	$5,000	$0	$0	$0	$0	$0	$0	$0	$5,165	$1,000	$0	$0	$11,165
Website	$1,600	$1,600	$1,600	$1,600	$400	$1,600	$1,600	$1,600	$1,600	$1,600	$1,600	$1,600	$18,000
Promo Items	$0	$0	$0	$1,500	$0	$0	$0	$1,500	$0	$0	$0	$0	$3,000
Totals:	$12,400	31,650	$20,850	$24,150	$49,400	$45,700	$16,400	$53,400	$48,565	$7,150	$5,400	$3,050	$318,155

Advertising:

Golf & Wine Getaway Brochure: Brochure $8,000 Feb, Ad Inserts $4,000 Mar = $12,000
Golf ads in Spokesman Review: Mar, Apr, Oct at $750 each = $2,250
Golf Map: $650 (Dec)
Images for Ad Design = $5,300 (June)
WSHLA Official Visitor Guide: $4,000 (Sept)
Social Media/Google Ads = $800/month (Jan, Feb, Mar, Apr, June, July, Aug, Sept, Oct, Nov, Dec) = $9,600
Television Commercials in Puget Sound Region $30,000 each for Spring (May/June) and Fall (Aug/Sept) = $60,000
Television Commercials in Portland, Spokane, Boise $30,000 each for Spring (May/June) and Fall (Aug/Sept) = $60,000
Digital Ad Campaigns targeting golf, wine and cycling $3,500 in Feb, $3,000 each in Mar, Apr, May, June, July, Aug, Sept, Oct, Nov= $30,500
National Park Website Co-Op Marketing $16,500 in Apr and Aug = $33,000
Advertising for Hanford Section of the National Park $10,000 in Feb, May and Jul = $30,000
Video Footage Production $5,000 in Mar, May and June = $15,000
Virtual Reality Production $5,000 in Jan and Feb = $10,000

Trade Shows:

Seattle Golf & Travel Show: Exhibit fees due Sept = $1,600
Spokane Golf & Travel Show: Exhibit fees due Oct = $1,000
Portland Golf & Travel Show: Exhibit fees due Sept = $1,500
Spokane Wine Show "Vintage Spokane" in Sept = $2,065
Equipment/Monitors to support virtual Reality Displays in Jan =$5,000

Travel:

Seattle Golf & Travel Show: hotels, meals, car rental, parking, and fuel for 2 staff = $1,700 (Mar)
Spokane Golf & Travel Show: hotels, meals, car rental, parking, and fuel for 2 staff = $1,200 (Feb)
Portland Golf & Travel Show: hotels, meals, car rental, parking and fuel for 2 staff = $1,550 (Feb)
Tri-Cities Wine Tourism Council: Quarterly travel allowance to support Tradeshows $1,000 each show, 2 staff members (Mar, Sept) = $2,000
Training Classes: continuing education courses for 4 staff, hotel, meals and travel @ $2,000 per session (Mar, May, Jul and Sept) = $8,000

Staff Development:

Continuing Education Training Courses: 4 staff to attend, $1,000 registration in Mar, May, July and Sept = $4,000

Website/ Internet Marketing:

Invest in Search Engine Optimization for new website: Aristotle Bronze SEO Package $1,200/month (Jan, Feb, Mar, Apr, June, July, Aug, Sept, Oct, Nov, Dec) = $14,400
Website Hosting Fee: $4,700 annually = $400/month

Promo Items:

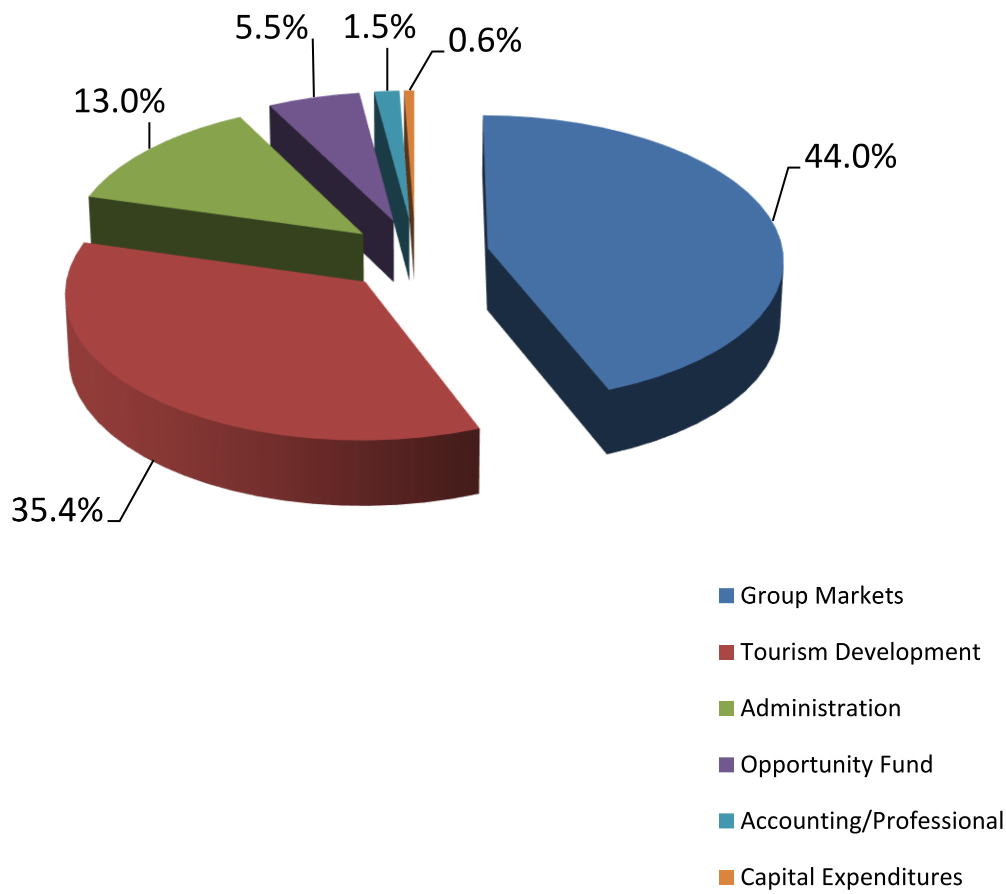
Registration Bags, Logo'd Swag $1,500 in Apr and Aug = $3,000

Budget Summary

Revenues	2018 Budget		Proposed 2019 Budget	
Kennewick	**$625,531**	**44%**	**$716,045**	**44%**
Pasco	**$326,983**	**23%**	**$374,296**	**23%**
Richland	**$469,149**	**33%**	**$537,033**	**33%**
Total:	**$1,421,663**	**100%**	**$1,627,374**	**100%**

Expenditures				
Group Markets City Wide Conventions Associations Corporate & Government SMERF (social, military, education, religious, fraternal) Sports	**$649,200**	**45.7%**	**$716,977**	**44%**
Tourism Development	**$457,930**	**32.2%**	**$573,927**	**35.4%**
Administration (administrative staff, office supplies, rent, telephone postage, equipment maintenance, etc.)	**$201,247**	**14.2%**	**$212,208**	**13%**
Opportunity Fund	**$86,500**	**6%**	**$90,000**	**5.5%**
Accounting/Professional	**$23,786**	**1.7%**	**$24,262**	**1.5%**
Capital Expenditures	**$3,000**	**.2%**	**$10,000**	**.6%**
Total:	**$1,421,663**	**100%**	**$1,627,374**	**100%**

Budget Summary



Board of Directors

The strength of any organization begins at the top. Visit TRI-CITIES is served by a Board of Directors that is providing strategic industry leadership for the future.

Board of Directors

- Carl Adrian, Tri-City Development Council
- Ron Anderson, Red Lion Pasco
- Deborah Barnard, Barnard Griffin Winery
- Commissioner Don Barnes, Port of Kennewick
- Jerry Beach, Courtyard by Marriott
- Commissioner Jim Beaver, Benton County
- Troy Berglund, West Richland Chamber of Commerce
- Karen Blasdel, Battelle
- Mark Blotz, Clover Island Inn
- Debbie Bone-Harris, Pasco Chamber of Commerce
- Gloria Boyce, Ben Franklin Transit
- Christine Brown
- Senator Sharon Brown, Washington State Senate
- Mayor Pro Tem Rich Buel, City of West Richland
- Todd Frantz, Tri-City Herald
- Colleen French, Department of Energy
- Shae Frichette, Frichette Winery
- Representative Larry Haler, Washington State House of Representatives
- Monica Hammerberg, Hampton Inn + Suites Pasco
- Suzanne Heaston, Heaston and Thompson Vision Clinic
- Wendy Higgins, The Lodge at Columbia Point
- Ron Hue
- Scott Keller, Port of Benton
- Commissioner Robert Koch, Franklin County
- Council Member Phillip Lemley, City of Richland
- Brian Lubanski, KVEW TV
- Lori Mattson, Tri-City Regional Chamber of Commerce
- Brent Miles, Tri-City Dust Devils
- Kathy Miller, Banner Bank
- Ken Miller, Miller Mertens & Comfort, P.L.L.C.
- Kathy Moore, Mooreshots Direct
- Rae Moss, Mission Support Alliance
- Monte Nail, CPA
- Vijay Patel, A-1 Hospitality
- Corey Pearson, Three Rivers Convention Center
- Maynard Plahuta, B Reactor Museum Association
- Justin Raffa, Mid-Columbia Mastersingers
- Rob Roxburgh, Washington River Protection Solutions
- Council Member Pete Serrano, City of Pasco
- Rosanna Sharpe, The REACH Museum
- Steve Simmons, CG Public House & Catering
- Buck Taft, Tri-Cities Airport/Port of Pasco
- Nikki Torres, Tri-Cities Hispanic Chamber of Commerce
- Staci West, Bechtel National, Inc.
- Council Member Steve Young, City of Kennewick

BRIGHTER! BOLDER! BETTER!

Visit TRI-CITIES WASHINGTON

www.VisitTRI-CITIES.com

TRI-CITY REGIONAL HOTEL-MOTEL COMMISSION

2019 Budget and Marketing Plan

CITY OF KENNEWICK

October 9, 2018

ITEMS FOR DISCUSSION

Tourism Promotional Area Programs

TPA Budget

DESTINATION MARKETING ORGANIZATION FUNDING

The following chart provides a **total budget** comparative (including Hotel Motel Tax, Membership Investments and Tourism Promotion Assessment) in key competitive markets:

Competing City	Bureau Budget	Number of Hotel Rooms	$ Spent per Room
Visit Seattle & Sports Council	$23,285,016	13,485	$1,727
Yakima Valley Tourism	$2,806,300	1,768	$1,587
Walla Walla Tourism	$1,107,000	1,130	$980
Visit Spokane & Sports Council	$6,457,294	7,890	$818
Travel Tacoma & Sports Council	$4,000,000	6,111	$655
Visit Tri-Cities	$2,486,509	4,191	$593
Visit Vancouver USA	$1,550,999	2,900	$535
Bellingham Whatcom Co. Tourism	$1,331,077	2,492	$534
Seattle Southside Tourism Authority	$4,200,000	8,421	$499
Snohomish County Tourism	$1,303,131	6,740	$193
Visit Bellevue Washington	$925,000	5,275	$175

The following chart provides a comparative for Hotel Motel Tax investments only for each destination marketing organization within key competitor markets:

Competing City	Hotel Motel Tax	Number of Hotel Rooms	$ Spent per Room
Visit Seattle & Sports Council	$11,642,510	13,485	$863
Walla Walla Tourism	$670,000	1,130*	$593
Bellingham Whatcom Co. Tourism	$1,121,456	2,492	$450
Visit Spokane & Sports Council	$2,018,064	6,795*	$297
Yakima Valley Tourism	$520,100	1,768	$294
Travel Tacoma & Sports Council	$1,550,000	6,111	$254
Visit Bellevue Washington	$813,500	5,275	$154
Visit Tri-Cities	$608,306	4,191	$145
Snohomish County Tourism	$916,667	6,740	$136
Seattle Southside Tourism Authority	$942,500	8,421	$112
Visit Vancouver USA	$314,666	2,900	$109

The following chart provides a comparative for Tourism Promotion Assessments only for each destination marketing organization within key competitor markets:

Competing City	TPA Collection	Number of Hotel Rooms	$ Spent per Room
Visit Seattle & Sports Council	$7,580,000	13,485	$562
Visit Vancouver USA	$1,227,933	2,900	$423
Walla Walla Tourism	$375,000	930*	$403
Yakima Valley Tourism	$688,500	1,768	$389
Visit Tri-Cities	$1,627,374	4,191	$388
Seattle Southside Tourism Authority	$3,257,500	8,421	$387
Visit Spokane & Sports Council	$2,239,519	6,008*	$373
Travel Tacoma & Sports Commission	$1,000,000	5,712*	$175
Snohomish County Tourism	$336,464	6,740	$50
Visit Bellevue Washington	$0	5,275	$0
Bellingham Whatcom Co. Tourism	$0	2,492	$0

**Not all hotels contribute to the Hotel Motel Tax and/or Tourism Promotion Assessment.*

FUNDED BY TOURISM PROMOTION ASSESSMENT

Convention, Sports and Group Marketing

Wine Country Advertising

Internet Marketing and Website

Regional and National Tradeshows (10)

Brochures and Maps

Opportunity Fund Grants

National Park Marketing

Television Commercials

HOW THE MARKETING PLAN IS DEVELOPED

May/June	Hotel Surveys Completed
July	Hotel Commission Review of Surveys
August	First Draft Prepared
September	Hotel Commissioners Approve Plan
October 1st	Delivered to Cities for City Council Review and Final Approval

2019 TRI-CITY REGIONAL HOTEL-MOTEL COMMISSIONERS

City of Kennewick

Mark Blotz, Clover Island Inn
Kathy Moore, SpringHill Suites by Marriott
Marie Mosley, Ex-Officio, City of Kennewick

City of Pasco

Monica Hammerberg, Hampton Inn + Suites Pasco
Vijay Patel, A-1 Hospitality
Dave Zabell, Ex-Officio, City of Pasco

City of Richland

Jerry Beach, Courtyard by Marriott
Cody Opstedal, Home2Suites by Hilton
Cindy Reents, Ex-Officio, City of Richland

2019 TOURISM OUTLOOK

NATIONAL:

- Supply: +1.9%
- Demand: +2.0%
- Revenue Growth: +2.4%

2018 REGIONAL REVENUE GROWTH:

- Seattle: +1.7%
- Spokane: +6.6%
- Tri-Cities: +5.0%
- Yakima: +6.5%

2019 TOURISM OUTLOOK
TRI-CITIES:
2.2% Growth in Inventory
2019: New Hotel Projects
Stable Demand
Strong Group & Leisure Travel

DELIVERABLES

Leads Generated

2017	2018	2019
64	54	60*
62	66	65*
58	70*	70*
70	70*	70*
254	**260***	**265***


CONVENTION & SPORTS ROI
CONVENTIONS BOOKED IN 2019
30,000 Room Nights = $6,750,000
Visitor Spending
SPORTS BOOKED IN 2019
26,000 Room Nights = $7,800,000
Visitor Spending
Total Visitor Spending = $14,550,000
2019 INVESTMENT IN CONVENTION
& SPORTS MARKETING $716,977
RETURN ON EACH DOLLAR INVESTED
$20.29

BUDGET SUMMARY

Revenues	2018 Budget		Proposed 2019 Budget	
Kennewick	$625,531	44%	$716,045	44%
Pasco	$326,983	23%	$374,296	23%
Richland	$469,149	33%	$537,033	33%
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Expenditures	2018 Budget		Proposed 2019 Budget	
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Tourism Development	$457,930	32.2%	$573,927	35.4%
Administration (administrative staff, office supplies, rent, telephone postage, equipment maintenance, etc.)	$201,247	14.2%	$212,208	13%
Opportunity Fund	$86,500	6%	$90,000	5.5%
Accounting/Professional	$23,786	1.7%	$24,262	1.5%
Capital Expenditures	$3,000	.2%	$10,000	.6%

TRI-CITIES
WASHINGTON

THANK YOU!

Council Workshop Coversheet

Agenda Item Number	2.	Meeting Date	10/09/2018
Agenda Item Type	Presentation		
Subject	Employee & Community Relations Dept Update		
Ordinance/Reso #		Contract #	
Project #		Permit #	
Department	Employee & Community Relations		

- [x] Info Only
- [ ] Policy Review
- [ ] Policy DevMnt
- [ ] Other

Summary

Staff will provide an annual update on Human Resources, Facilities, Parks and Recreation, and Economic Development.

Through	Terry Walsh Oct 04, 14:12:30 GMT-0700 2018
Dept Head Approval	Terry Walsh Oct 04, 14:12:32 GMT-0700 2018
City Mgr Approval	Marie Mosley Oct 04, 22:18:44 GMT-0700 2018

Attachments:

Parks & Recreation Presentation
HR Presentation
Economic Development Presentation

Parks & Recreation Council Update

October 9, 2018

KENNEW!CK WASHINGTON
Parks & Recreation

Comprehensive Plan Update

- Adopted September 2018
- Community engagement & outreach
  - Events
  - Surveys
  - Focus Group
  - Visioning Workshop
- Expanded framework for growth
  - Columbia Park Master Plan Vision
  - Impact fees replace mitigation fees
  - Consolidation of zones for project flexibility
  - Economic development, partnership, sustainability and inclusivity goals boosted
  - 3 acres per 1,000 resident LOS now specifies resident proximity of a half-mile to a park, school or community facility

Parks & Amenities

- 28 Parks
- 4 Undeveloped natural areas
- 845 Acres
  - 31 Playgrounds
  - 6 Water Features
  - 18 Miles of Pathway
  - 31 Picnic Shelters
  - Multiuse Fields & Courts
  - 32 Horseshoe Pits
  - 30 Restrooms
  - Countless Trash Cans, Picnic Tables

Facilities & Right of Way

406,000 sq. ft. of facilities	49 greenway acres	Landscaping, irrigation, parking
Community Safety	**Infrastructure & Growth + Responsible Government**	**Quality of Life + Economic Development**
Police Station	City Hall	Southridge Complex
Five Fire Stations	Frost	Community Center
	10^{th} Ave. Shops	Pool
	Water & Sewer Treatment Plants	Two Libraries
	Water & Sewer Collection & Distribution Facilities	Museum
	Greenways & Roundabouts	

KENNEW!CK WASHINGTON

Facilities Improvements

Fire Stations

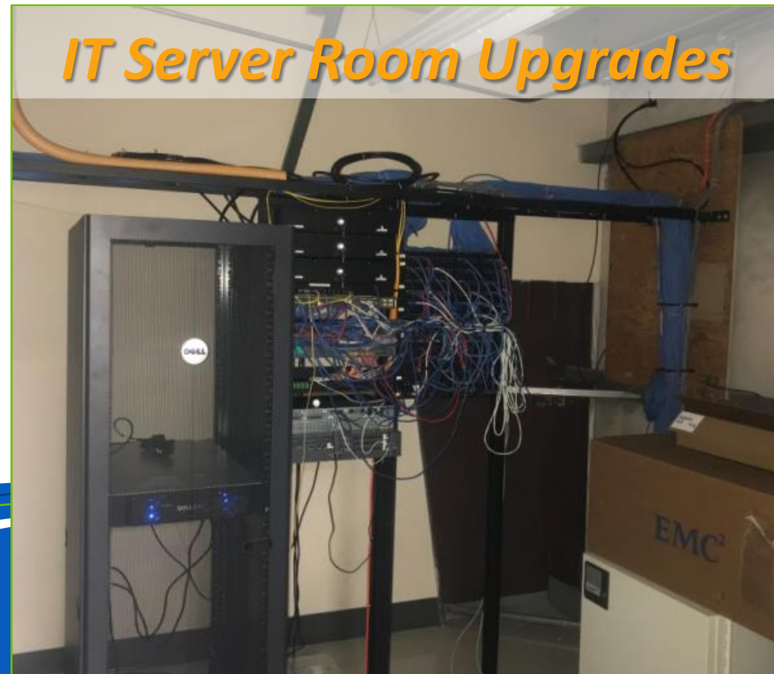
- Station 62 HVAC Replacement - *Completed*
- Station 64 Vehicle Access Repairs – *Estimated Completion Summer 2018*

Frost

- Men's Shower Drains - *Completed*
- Roof Drain Replacement - *Completed*
- IT Server Room Upgrade -*Estimated completion Fall 2018*

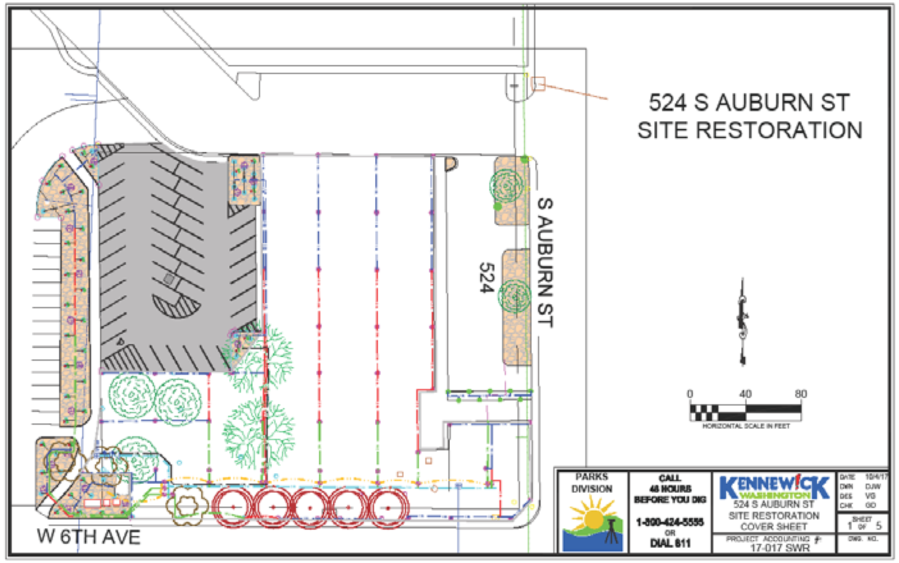
Mid-Columbia Library

- HVAC Control Upgrades – *Completed*



Civic Campus Improvements

- 524 S Auburn (demo, landscaping, lighting) - *Completed*
- KPD Security Gate Replacements
- Ballfield restroom rehabilitation (roof, paint, lighting, fixture upgrades) – *Completed*
- City hall pathway, lighting, security



Hansen Park

- Expanded Amenities
  - Restrooms
  - Walking Path
  - Parking Lot
  - Picnic Shelters
  - Heritage Gardens
  - Community Garden
- Master Gardener partnership
- Benton Conservation partnership
- Volunteer support
- RCO Grant
- Project Budget $720,000

Park Amenity Improvements

- Highlands Grange **Aquatic Playground** Rehab & Upgrade (fall of 2018)
- **Music stations** at Lawrence Scott, John Day
- **Music station** at Sunset Park (fall of 2018)
- **Kinetic art** at Lawrence Scott Park
- Inspiration Park **safe access and sidewalk**
- **Restroom amenity upgrades**

KENNEW!CK WASHINGTON

Playground of Dreams

- Phase 1 under construction
- Inclusive + iconic elements
- New features
- $1 mil cost
- Fundraising and grant funding

Golf Course Clubhouse

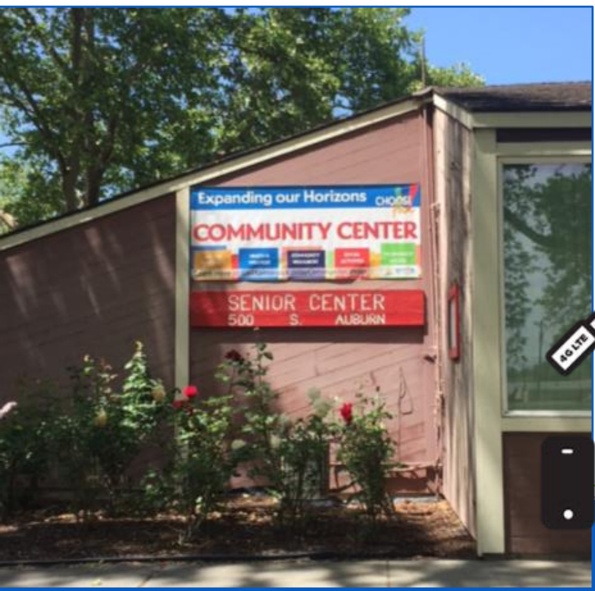
- 2600 square feet
- River view patio
- Indoor/outdoor seating capacity 150 estimated
- Kitchen for broader menu/food service
- Retail area (pro shop)
- Event rental potential

COLUMBIA PARK

GOLF TRI-PLEX

Community Center Transition

- A gathering place for all ages
- Activities for all abilities
- Evening and weekend programs
- Meeting, small event and rental space
- Senior services & Meals on Wheels
- Entrepreneurial workspace



Programming

- Youth Program Sessions
- Adult Program Sessions
- Single Program Events
  - Princess Tea
  - Super Hero Training
- Drop-In Popularity
  - Stroller Striders
  - Wheels & Squeals Playgroup
  - Basketball, Pickleball

Events & Tournaments

- Events Scheduled
  - 2018 104
  - 2017 116
  - 2016 108
- Tournaments Scheduled
  - 2018 24
  - 2017 30
  - 2016 23
- Special Event Highlights
  - River of Fire
  - Sunset at Southridge
  - Harvest Bazaar
  - All CommUNITY Picnic

New Events

- Vintage at the Ridge
  - Southridge Pavilion
- State Gymnastics
  - Southridge Pavilion
  - April 20-22, 2018
- Numerica Hometown Holiday
  - December 2, 2018

Collaborations

- Parks Commission
- Arts Commission pARTnership
  - Art in parks
  - Roundabouts
  - 1st Thursday Art Walk
- Partners
  - City of Pasco Softball League
  - Tri-City wide swim program
  - Geo- cache event
  - Port of Kennewick
  - All CommUNITY Picnic – Kennewick, Pasco and Richland
  - TREC (Tri-Cities Rivershore Enhancement Committee) and Wayfinding with Visit Tri-Cities
  - Benton County Conservation District
  - Conveyance - USACE
- Community Engagement
  - Outreach
  - Volunteers

Visit TRI-CITIES WASHINGTON

Service Expansion

KENNEWICK WASHINGTON

Increased Resource Demands

- More Events
- More Tournaments
- Preventive Maintenance
  - Up to 100 sports field preps in a weekend
  - Staffing up to 3 different locations in one day
  - Turf management of approximately 300 acres
  - Irrigation repairs
  - Facility prep & set-up
  - Trash & janitorial

KENNEW!CK WASHINGTON

Resource Distribution Shift

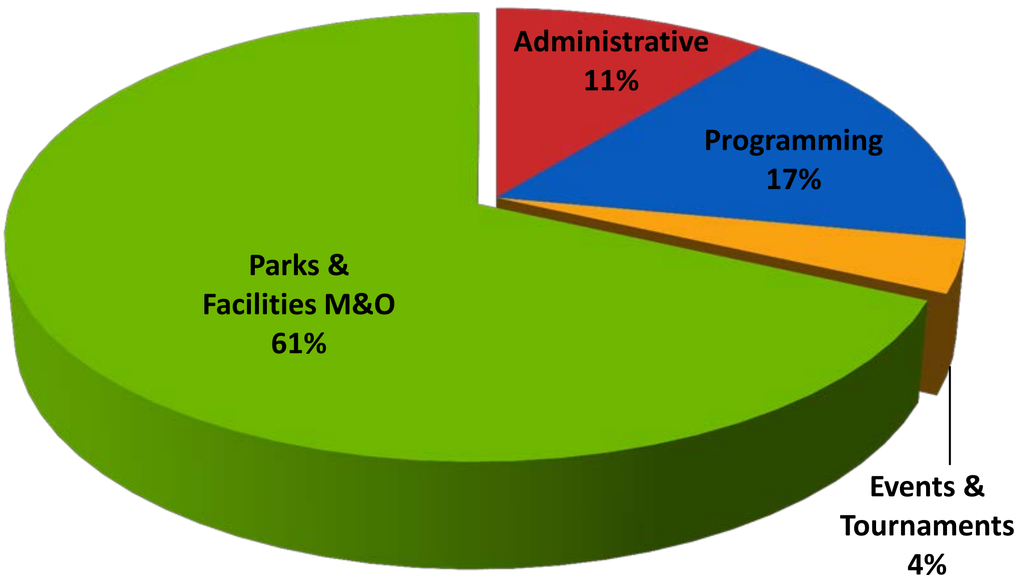
Pre-2012

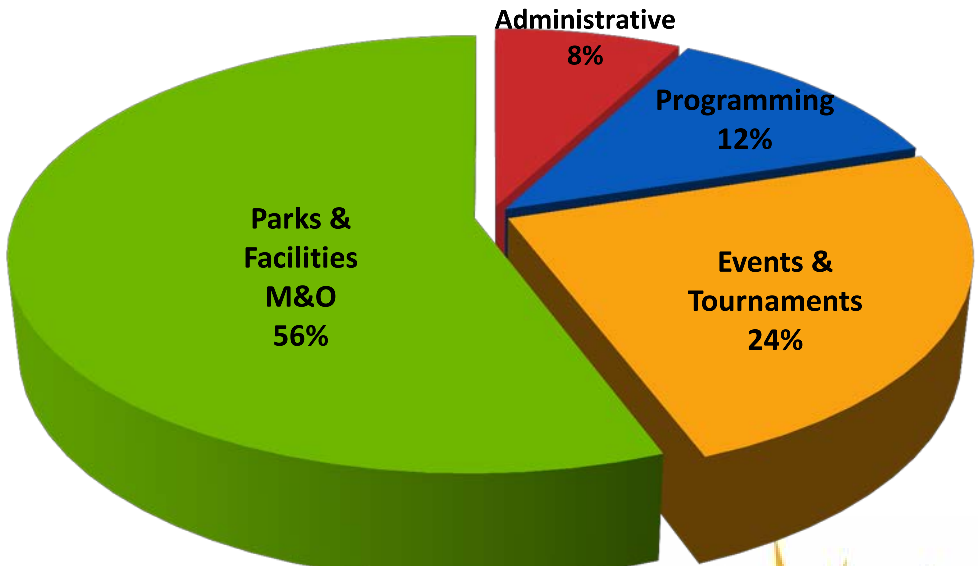
29 Full Time Employees
15.7 Part Time/Seasonal

3.6 FTE increase

2017-2018

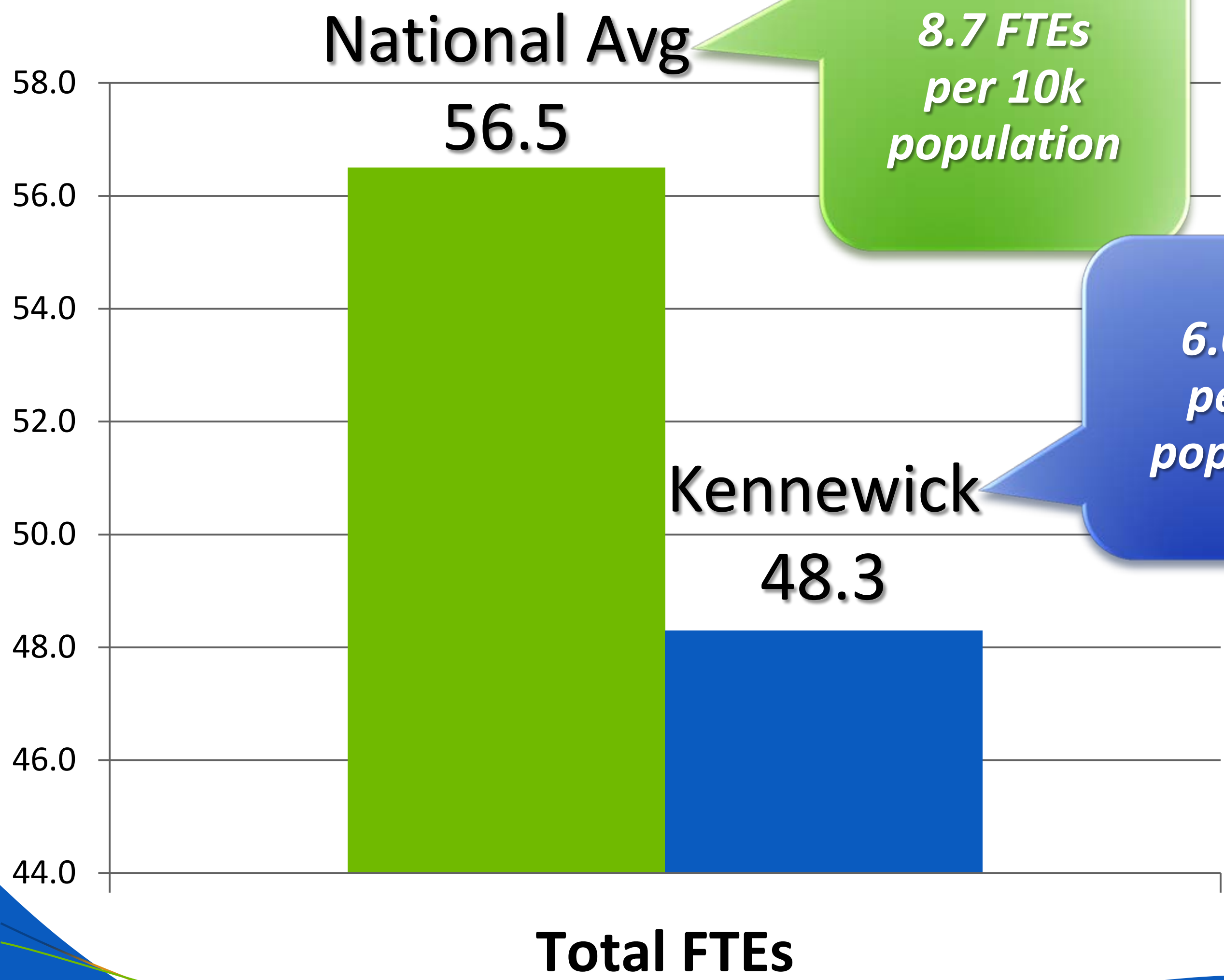
32.6 Full Time Employees
15.7 Part Time/Seasonal





KENNEW!CK WASHINGTON

Staffing Comparison



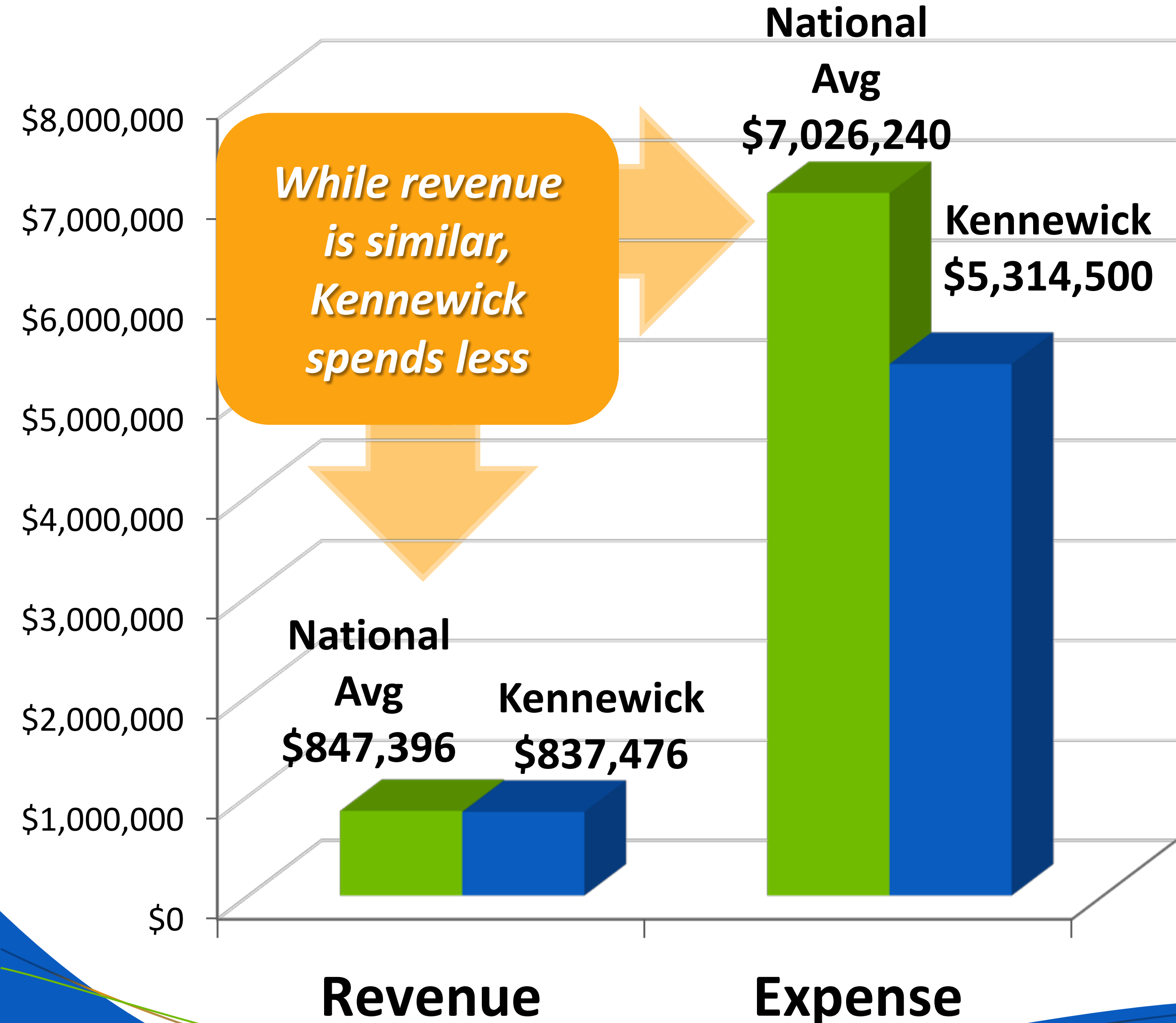
8.7 FTEs per 10k population

6.0 FTEs per 10k population

National averages don't account for the 406,000 sf of facilities maintained by city crews

Based on 80,280 population and 2,749 people per square mile

Funding Comparison



Operating Expenses

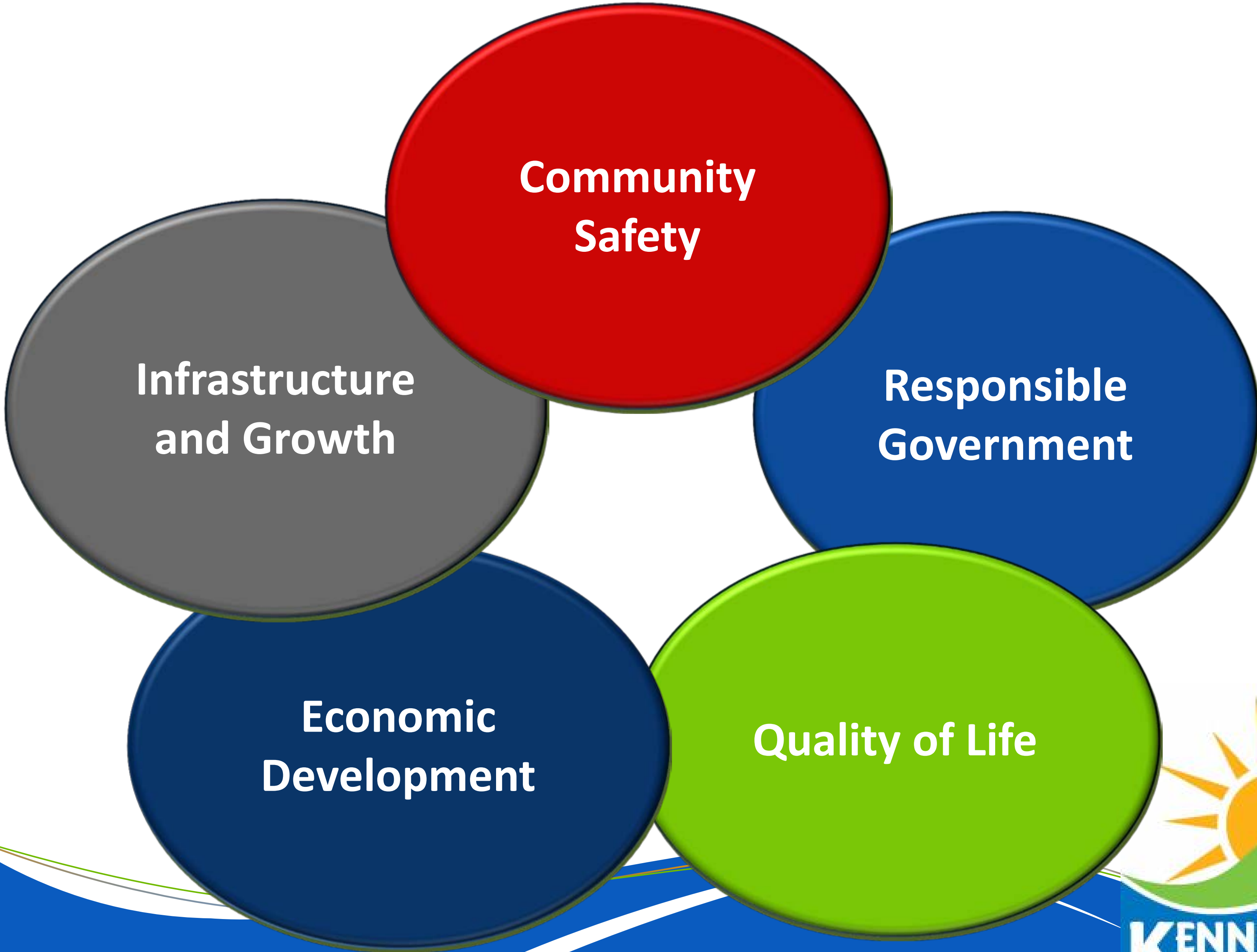
National Average	Kennewick
$105 per capita	$66 per capita
$11,953 per acre	$4,655 per acre

Growth & Aging Infrastructure

- Infrastructure Growth
  - Facility square footage increase
  - Increase in roundabouts
  - Greenway linear miles increase
- Aging Infrastructure Programs
  - Hard surface repair
  - Tree maintenance
  - Playground repair/replacement
  - Park amenity FFE replacement
- Aging Facilities
  - Fire Stations
  - Pool
  - City Hall
  - Community Center
  - Courts

KENNEW!CK WASHINGTON

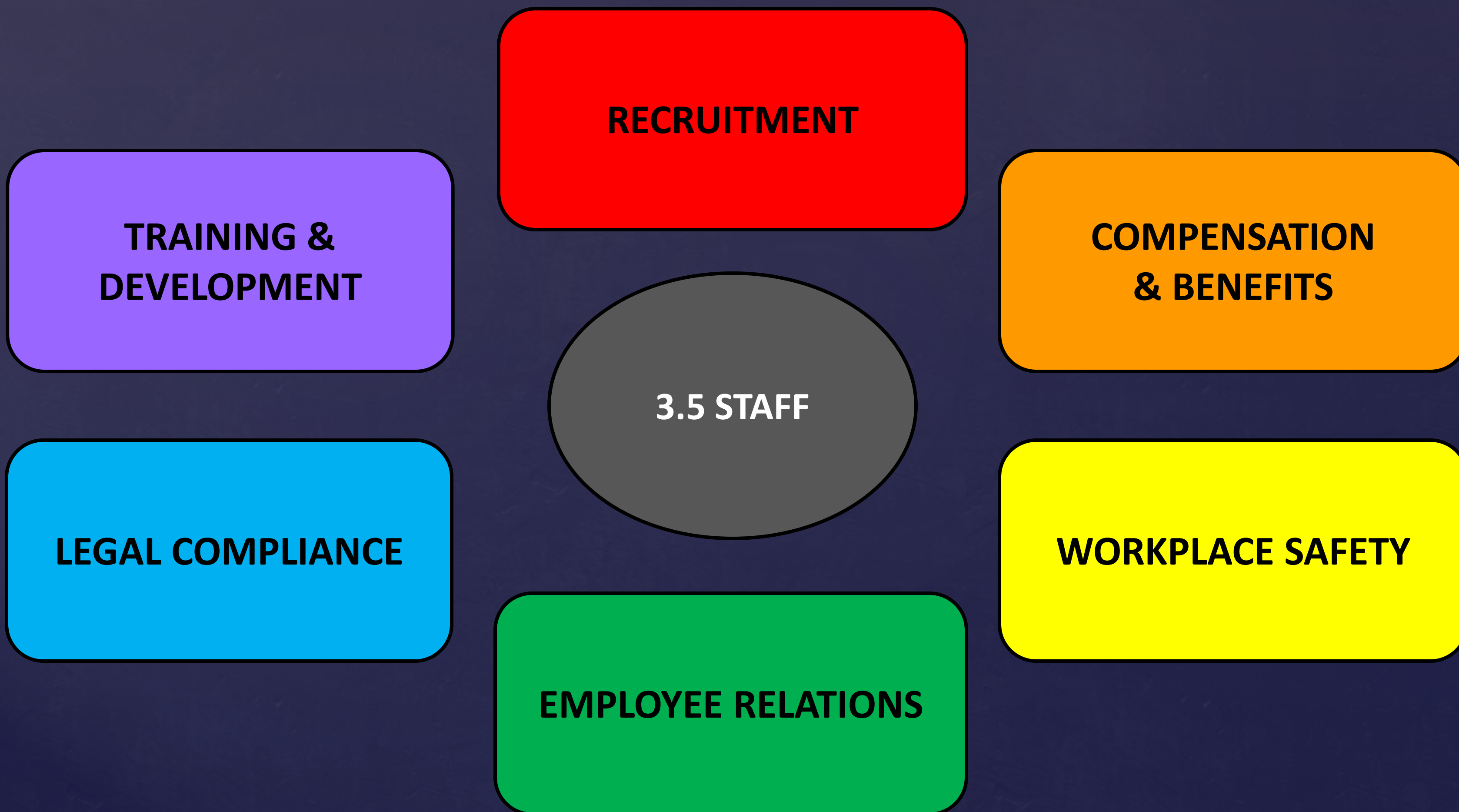
Moving Forward



Questions?

City Council Workshop
October 9, 2018

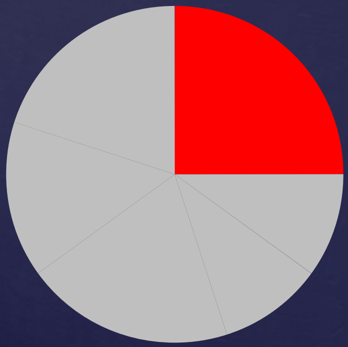
HUMAN RESOURCES FUNCTIONS



HUMAN RESOURCES FUNCTIONS

RECRUITMENT

ESTIMATED STAFF TIME



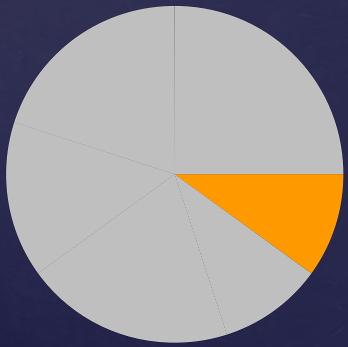
HR plays a key role in ensuring adequate staffing throughout the City.

- Update and maintain job descriptions
- Draft job applications and questions
- Develop job announcements to reach qualified applicants
- Conduct initial applicant screening
- Schedule and facilitate interviews
- Participate on interview panels
- Coordinate pre-employment testing
- Serve as applicant point of contract for approx. 3,500 candidates each year
- Proctor regional civil service exams

HUMAN RESOURCES FUNCTIONS

COMPENSATION & BENEFITS

ESTIMATED STAFF TIME



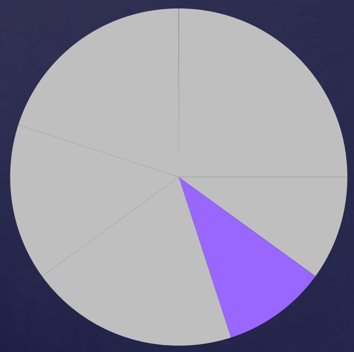
HR researches and recommends competitive benefit packages.

- Monitor changes in the job market
- Recommend salary and benefits packages
- Provide data for compensation surveys and requests for information
- Conduct new employee benefit enrollment and provide career-long support
- Coordinate with third-party providers
- Perform employment verifications
- Process changes of status, including performance-based salary increases

HUMAN RESOURCES FUNCTIONS

TRAINING & DEVELOPMENT

ESTIMATED STAFF TIME



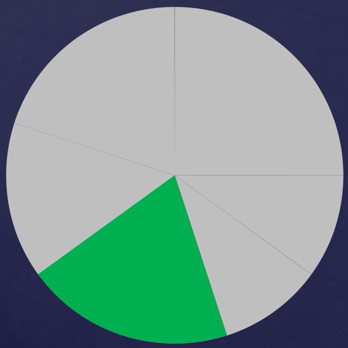
HR helps identify and deliver training and professional development opportunities.

- Conduct new employee orientations
- Administer the performance management (PFP) program
- Conduct in-house leadership training
- Coordinate third-party training
- Advise Civil Service Commission
- Oversee promotional testing
- Participate in succession planning

HUMAN RESOURCES FUNCTIONS

EMPLOYEE RELATIONS

ESTIMATED STAFF TIME



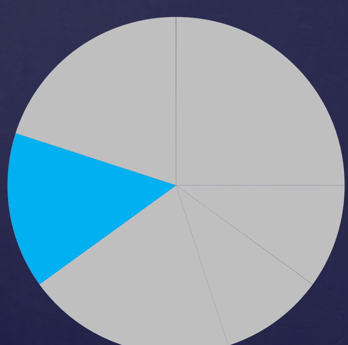
HR helps to foster positive relationships with employees, including five labor unions.

- Drive employee engagement
- Coordinate City-wide events
- Provide employee support, including referrals to EAP
- Recommend policy changes to the KAC
- Review all disciplinary actions
- Collectively bargain wages, hours, and working conditions with five labor unions
- Lead labor/management meetings
- Respond to employee grievances
- Administer the "Well City" Program

HUMAN RESOURCES FUNCTIONS

LEGAL COMPLAINCE

ESTIMATED STAFF TIME



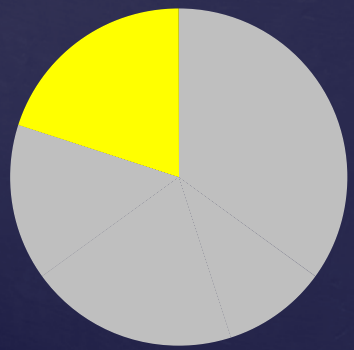
HR ensures compliance with constantly changing labor and employment laws.

- Maintain personnel files and other employment-related public records
- Approve and track employee leaves (FMLA, WSFCA, WLAD, etc.)
- Interpret and apply KAC and labor contract provisions
- Provide ongoing compliance training and support to management
- Conduct workplace investigations
- Investigate and respond to EEOC or other legal complaints

HUMAN RESOURCES FUNCTIONS

WORKPLACE SAFETY

ESTIMATED STAFF TIME



HR helps to maintain a safe and healthful work environment for employees.

- Maintain appropriate safety practices
- Administer workers' compensation program, including return to work
- Conduct job hazard analyses
- Research and recommend PPE
- Conduct workplace safety assessments, including ergonomics
- Coordinate safety-related training
- Investigate accidents and injuries
- Oversee five safety committees
- Administer the "Work Safe" Program

Economic Development Goals

City Council Workshop
October 9, 2018

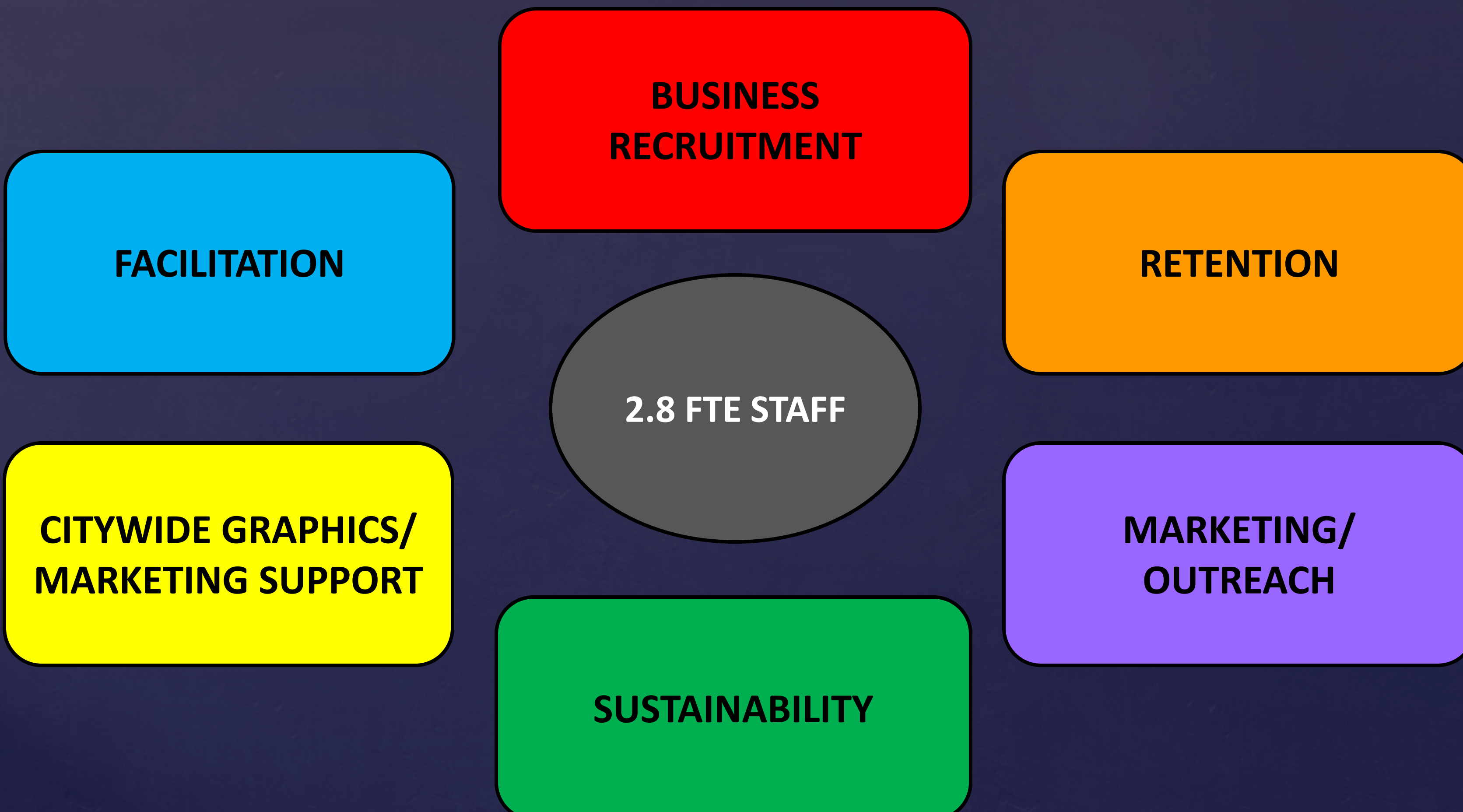
Support Kennewick's position as an economic leader in Washington and the Pacific Northwest, build on its excellent quality of life, create a supportive climate for entrepreneurs and small businesses, recruit niche target industries, and attract a young professional workforce to support industries and growth.

CHOOSE Fun! It's Good For Business

I KENNEW!CK WASHINGTON

- Friendly Business Climate
- Business Expansion & Retention
- Business Recruitment
- Sites & Infrastructure
- Education & Workforce Development
- Quality of Life
- Tourism
- Sustainability

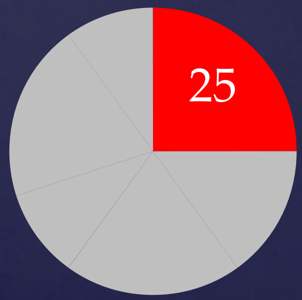
ECONOMIC DEVELOPMENT FUNCTIONS



ECONOMIC DEVELOPMENT FUNCTIONS

BUSINESS RECRUITMENT

ESTIMATED STAFF TIME



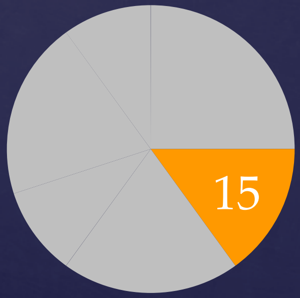
Attract new businesses & developers

- Craft beverage effluent treatment marketing materials
- Grocer property & prospect connections
- Vehicle Based Food Business guide
- Targeted grocer marketing materials
- 1,400+ business licenses newly issued adding 3,000+ FTE positions
- Six recruiting events
- 400k+ sq. ft. of retail/office mfg. added

ECONOMIC DEVELOPMENT FUNCTIONS

RETENTION & REVITALIZATION

ESTIMATED STAFF TIME



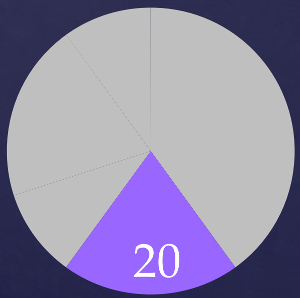
Assist existing businesses in expanding and support revitalization

- Fuse and SCORE workshops
- Fuse Accelerator/Incubator
- StrEatery Community Development Block Grant
- Regional Revolving Loan Fund participation
- Downtown revitalization support
- Awarded two IRS designated Opportunity Zones
- Downtown art sponsorship

ECONOMIC DEVELOPMENT FUNCTIONS

MARKETING & OUTREACH

ESTIMATED STAFF TIME



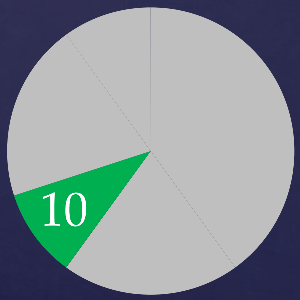
Promote business-friendly climate, quality of life and positive image of city

- Website content creation & updates
- Online site selection
- Generated 50% of social media posts
- Publicized and attended 90+ ribbon cuttings, ground breakings, business launch and similar events
- Presentations to 3 civic groups
- Development Review Process updates
- Building Business Ecosystem Act
- Sustainability Forum

ECONOMIC DEVELOPMENT FUNCTIONS

SUSTAINABILITY

ESTIMATED STAFF TIME



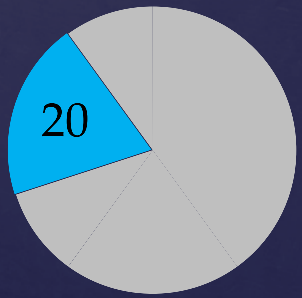
Coordinate citywide program and engage public in vision

- Guiding principles completed
- Sustainability Forum held July
- Stakeholder outreach and sponsorship – Benton PUD, HBA, ALSC
- Cross-department communication and participation

ECONOMIC DEVELOPMENT FUNCTIONS

FACILITATION

ESTIMATED STAFF TIME



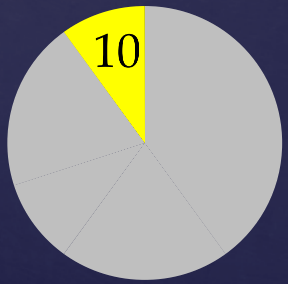
Businesses & developer advocates, assist with navigating processes

- Advance Port, CBC Partnership and City workforce training partnership
- Evaluating business-related processes for expediency
- 50+ Pre-apps, feasibility meetings, and pre-construction meetings
- TRIDEC, Chamber, HDKP, BFCOG participation
- Mobile food truck code review and brochure creation

ECONOMIC DEVELOPMENT FUNCTIONS

CITYWIDE GRAPHICS/ MARKETING SUPPORT

ESTIMATED STAFF TIME



Generate citywide materials to maintain a professional and consistent image

- Playground of Dreams Sponsorship
- Southridge Sponsorship
- Numerica Hometown Holiday
- KPD signage and social media support
- Construction Contractor Roadmap
- 1st Thursday Kennewick
- Parks & Recreation event support
- Kennewick Arts Commission

Council Workshop Coversheet

KENNEWICK WASHINGTON

Agenda Item Number	3.	Meeting Date	10/09/2018
Agenda Item Type	Presentation		
Subject	Finance Department Update		
Ordinance/Reso #		Contract #	
Project #		Permit #	
Department	Finance		

- Info Only: ☒
- Policy Review: ☐
- Policy DevMnt: ☐
- Other: ☐

Summary

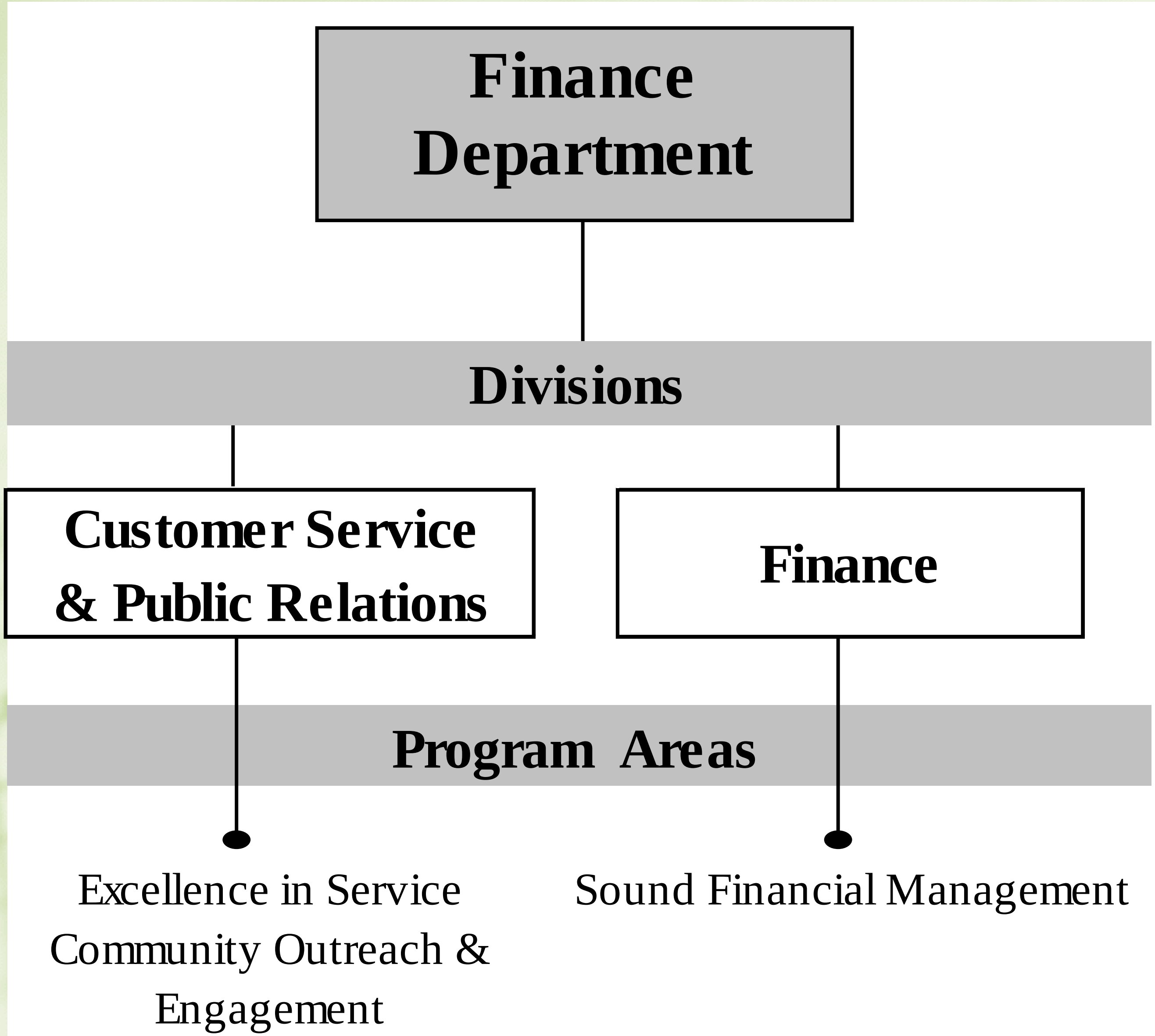
In preparation for the upcoming 2019/2020 biennial budget, staff from the Finance Department will be providing an update to City Council on the department's structure, scope of services it provides, recent successes, challenges and opportunities for the future.

Through	
Dept Head Approval	Dan Legard Oct 03, 15:04:12 GMT-0700 2018
City Mgr Approval	Marie Mosley Oct 04, 22:22:29 GMT-0700 2018

Attachments: PowerPoint

Finance

DEPARTMENT UPDATE – 10/9/2018


Finance Department
Divisions
Customer Service & Public Relations
Finance
Program Areas
Excellence in Service
Community Outreach & Engagement
Sound Financial Management

Customer Service Division

Programs

Excellence in Service

Service & Functional Areas

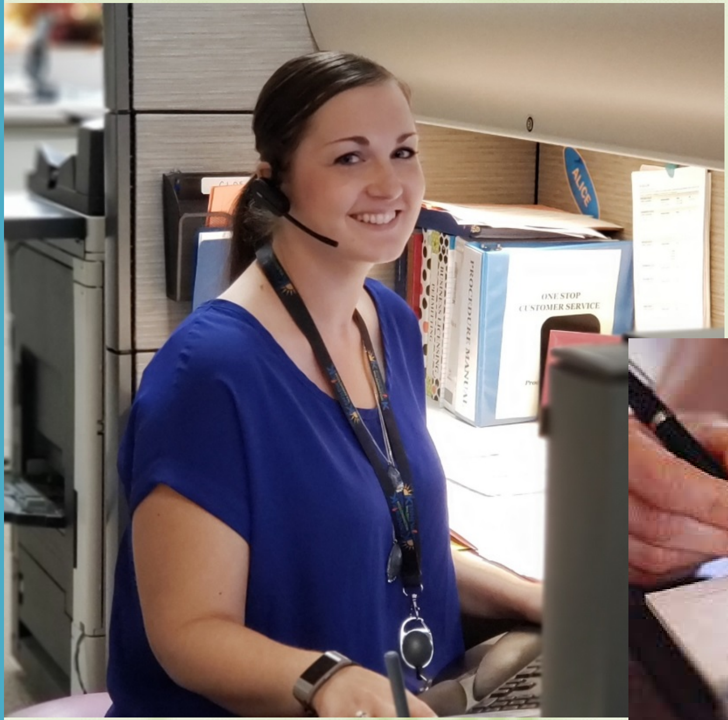
Utility Account Management
Billing Process
License & Permit Issuance
Customer Relations & Service
Meter Reading
Code Enforcement

Public Relations

- Central point of contact for PR inquiries outside of emergency services.
- Media Relationships – Responsiveness & Transparency
- Outreach messaging - Press releases, Facebook, Twitter, City Webpage News Flashes, Events, Articles, Budget Survey, State of the Cities Video, Current Talking Points
- Internal Messaging – Talking points, Training, Materials

One-Stop Customer Service

Coming together is a beginning. Keeping together is progress. Working together is success. ~Henry Ford


ONE STOP
CUSTOMER SERVICE


District
BUILDING PERMIT
This card must be kept posted in a conspicuous place on site of construction.


OPEN

Business Licensing

- Partnership with Business Licensing Service
- Nearly 6,000 general business licenses
- 100 regulatory licenses

Utility Billing

- 25,000 accounts ***and growing***!
- Over 145,000 annual billings
- 2,900 service orders for account closings
- 3,200 annual account closings

Meter Reading

- City divided in to 102 meter reading routes
- Over 12,300 meters read each month
- Bi-monthly reading/billing cycle
- Partnership with Public Works
- Automated Meter Reading Project

Code Enforcement

- 2017 Cases – 643 Total
  - General Nuisance – 600
  - Substandard/Unfit/Vacant - 43
- 2018 – 447 Total YTD
  - General Nuisance - 417
  - Substandard/Unfit/Vacant - 30

Finance Division

Program Areas

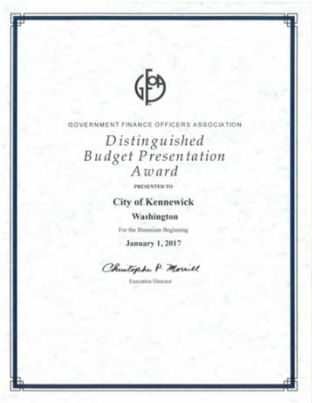
Sound Financial Management

Service & Functional Areas

Budget Preparation & Monitoring
Capital Improvement Plan
CAFR Preparation
Monthly Financial Reports
Quarterly Financial Reports
General Ledger
Accounts Payable
Accounts Receivable
Payroll
Investment Management
Debt Administration/Compliance
Compliance & Accountability
Ambulance Billing

Financial Operations

- 8.75 full-time equivalent positions
- Maintain a citywide budget of $320.8M
- Budgeting and financial reporting for 29 funds
- Administer a debt portfolio of $52M
- Treasury Functions:
  - Manage average investment portfolio of $49.9M
  - 10,565 payroll disbursements processed
  - 17,586 AP invoices processed
  - $5.8M in grant billings processed
- Process over 5,000 billable ambulance transports each year



Recent Successes

- National Recognition from GFOA:
  - Excellence in Financial Reporting – **32nd consecutive!!**
  - Distinguished Budget Award – **16th consecutive!!**
  - Popular Annual Financial Report (PAFR) – **10th consecutive!!**
- Maintained City's AA rating for LTGO bonds
- 2017 State Auditor's Stewardship Award

Opportunities & Challenges

- Adoption of 2019/2020 biennial budget
- Replacement of City's Eden ERP system
- Implement AMR program
- Ongoing Code Enforcement Program Enhancements
- Implement future GASB statements & reporting standards
- Enhance online tools for citizens to access services and information
- Evaluate succession planning & staffing levels

City Council
Meeting Schedule
November 2018

November 6, 2018
Tuesday, 6:30 p.m. — REGULAR COUNCIL MEETING

November 13, 2018
Tuesday, 6:30 p.m. — WORKSHOP MEETING
1. Committee Updates

November 20, 2018
Tuesday, 6:30 p.m. — REGULAR COUNCIL MEETING

November 27, 2018
Tuesday, 6:30 p.m. — WORKSHOP MEETING
1. Small Cell Facilities

To assure disabled persons the opportunity to participate in or benefit from City services, please provide twenty-four (24) hour advance notice for additional arrangements to reasonably accommodate special needs.

Please be advised that all Kennewick City Council Meetings are Audio Taped