



CITY OF SEATAC

HOTEL/MOTEL TAX ADVISORY COMMITTEE

VIRTUAL MEETING: June 10, 2020, 3:00 – 4:30 p.m.

City of SeaTac HMAc

Chair: Mayor Erin Sitterley

Call-in Details:

Please join the meeting from your computer, tablet or smartphone.

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AGENDA

- 1) Virtual Meeting Outline / Process – Aleksandr Yeremeyev, Economic Development Manager (5 Minutes)
- 2) Facilitated Introductions – All (5 Minutes)
- 3) Review and Approve Minutes of April 8, 2020 meeting (2 Minutes)
 - a. May 13 meetings cancelled due to COVID-19 concerns and no urgent matters
- 4) SeaTac Police Department Report (3 minutes)
- 5) SeaTac Lodging Tax Funding Application Review (85 minutes)
 - a. Funding Process Overview – Steve Pilcher, CED Director
- 6) Next Steps – Aleksandr Yeremeyev, Economic Development Manager (5 minutes)
- 7) City Updates (5 minutes)
- 8) Other Business
- 9) Adjournment

A quorum of the City Council may be present

PLEASE NOTE:

Due to the current COVID-19 public health emergency, and social distancing protocols, pursuant to the Governor's and public health officials' orders, this meeting will be conducted virtually. The public may also call in to the conference line to listen to the meeting per the details provided above. While you will be able to hear the meeting; you will not be able to participate in the meeting. You will be asked to identify yourself. (Committee members and funding applicants are encouraged to log in via computer or tablet and will be called upon to speak). Please note that if you are unable to mute your phone, everyone else on the call-in line will be able to hear you, so please refrain from speaking. If background noise or side conversations interfere with the meeting, your line may be muted or disconnected. City Hall is closed so no one will be able to physically attend this meeting.

This is a working advisory committee and although open to the public, no public comment process is provided. If you have questions, please email them to ayeremeyev@seatacwa.gov.



Hotel Motel Tax Advisory Committee Meeting Minutes

4/8/2020

3:00 - 4:30 PM

SeaTac City Hall Council Chamber

Members Present: Mayor Erin Sitterley; Brandi Mitchell; Jeff Bauknecht; Rich Scherzinger

Members Absent: Cathy Heiberg – excused; Wendy Morgan absent

Staff Present: Aleksandr Yeremeyev, Economic Development Manager; Tanja Carter, Economic Development Strategist; Steve Pilcher, CED Director; Joseph Hodgson, Police Captain;

Others Present: CM Clyde Hill, CM Peter Kwon; Katherine Kertzman, SSRTA; Andrea Reay, Seattle Southside Chamber of Commerce; Christina (Boysen) Palicka, Boysen – Boysen; Earl Gipson;

Commence: 3:01PM

Adjourn: 4:53PM

1. Introductions – All	Mayor Sitterley, Committee Chair called the meeting to order at 3:01PM
2. Review and Approve Minutes of January 8, 2020	<input checked="" type="checkbox"/> Approved as Written <input type="checkbox"/> Approved with Modifications <input type="checkbox"/> Recommended for Approval <input type="checkbox"/> Approved
3. SeaTac Police Department Report	<input checked="" type="checkbox"/> Informational Update Captain Hodgson provided an update on the current activity in the City.
4. SSRTA Covid-19 Tourism Impact Update	<input checked="" type="checkbox"/> Informational Update Kertzman provided an update on SSRTA operations and current initiatives The RTA has been positively impacting the attraction of tourism to the area resulting in overnight visitors and additional visitor spending generating an estimated return of more than \$40 on every \$1 invested for the 2019. <u>Tourism is critical to the local economy</u> and brings \$300+ million in visitor spending to the TPA, and supports more than 2,000 jobs, contributing to local tax receipts. <u>National COVID-19 impacts</u> on tourism have been significant. RevPAR decreased, 72% of travelers had trips affected and the overall travel

	<p>industry is one of the hardest hit sectors. The estimated impacts are 6 times higher than of the 9/11 events.</p> <p><u>Local impacts include</u> 7 hotel properties within the Southside being closed temporarily, and occupancies within the TPA are low. The SeaTac hospitality market seems to be performing slightly better than the region overall.</p> <p><u>Outlook:</u> Travelers are expecting to travel again in the fall. Travelers miss travel (69.1%). Majority of people surveyed indicated they will avoid crowded destinations and the propensity to spend will be high (pubs, restaurants, short trips). International travel and meeting business are likely to recover slower.</p> <p>References: https://www.seattlesouthside.com/coronavirus-resources/</p> <p><u>Actions taken:</u> the RTA adjusted TPA revenue projections, amended the budget forecasts, and implemented cost reductions.</p> <p>A brief discussion followed on ensuring equitable benefits in relation to contribution by TPA members.</p>
5. HMAC Member Updates (Operations/Impacts)	<p><input checked="" type="checkbox"/> Informational Update</p> <p>Business is very slow. Most members have reduced staff or put people on standby within their business operations. Park and fly operations have been significantly impacted and volumes are down.</p> <p>Hoteliers emphasized that the SSRTA emergency response proposal concept and additional activity to attract tourism is especially important now and should focus on re-opening and recovery.</p>
6. Lodging Tax Funding/Applications Process & Timeline	<p><input checked="" type="checkbox"/> Informational Update</p> <p>Yeremeyev presented revised documents & process to the committee.</p> <p>The committee members agreed that all application documents presented are acceptable for use based on how they are formulated and organized. The scoring sheet will provide objectivity in rating applications.</p> <p>There is a preference for question and answer time and discussion time during the process of evaluating applicants. The committee indicated willingness to hold an extra meeting as may be needed to make funding recommendations to the SeaTac City Council.</p>

7. City Updates	<input checked="" type="checkbox"/> Informational Update / Discussion Mayor Sitterley provided a brief update on current city business. CM Kwon discussed efforts to secure funding for COVID-19 related impacts. Yeremeyev provided an update on economic development efforts to provide resources to all SeaTac businesses, and conducting proactive outreach to inform recovery planning and implementation. He informed the group that city economic development staff conducted a shop local campaign called "Stay In, Eat Out" to support local restaurants and retail businesses. This campaign was coordinated with Seattle Southside Chamber of Commerce and the SSRTA.
8. Other Business	N/A
9. Adjourn	Adjourned the meeting at 4:53 PM. <i>The next regular meeting will be held on 6/10/2020 virtually.</i>

STR Summary Report for April 2020

Occupancy (%)	Year To Date		
	2018	2019	2020
This Year	75.4	72.3	51.8
Last Year	77.0	75.4	72.3
Percent Change	-2.0	-4.1	-28.4

ADR	Year To Date		
	2018	2019	2020
This Year	106.86	112.48	101.46
Last Year	105.03	106.86	112.48
Percent Change	1.7	5.3	-9.8

RevPAR	Year To Date		
	2018	2019	2020
This Year	80.60	81.34	52.54
Last Year	80.86	80.60	81.34
Percent Change	-0.3	0.9	-35.4

Supply	Year To Date		
	2018	2019	2020
This Year	989,586	1,065,840	1,054,590
Last Year	983,700	989,586	1,065,840
Percent Change	0.6	7.7	-1.1

Demand	Year To Date		
	2018	2019	2020
This Year	746,394	770,810	546,097
Last Year	757,282	746,394	770,810
Percent Change	-1.4	3.3	-29.2

Revenue	Year To Date		
	2018	2019	2020
This Year	79,758,487	86,698,916	55,408,045
Last Year	79,539,213	79,758,487	86,698,916
Percent Change	0.3	8.7	-36.1

Census %	Apr
Census Props	61
Census Rooms	7685
% Rooms Participants	90.4

**Hotel Motel Tax Advisory Committee
Local Tax Distribution Report
Special Hotel/Motel Tax**

2019	Distribution
Jan	\$122,762.86
Feb	\$103,560.38
Mar	\$116,084.70
Apr	\$120,398.21
May	\$143,995.02
Jun	\$134,112.69
Jul	\$171,228.19
Aug	\$199,483.93
Sep	\$214,497.00
Oct	\$228,137.12
Nov	\$181,987.69
Dec	\$145,998.17

2020	Distribution
Jan	\$121,624.17
Feb	\$109,927.63
Mar	\$131,257.73
Apr	\$75,431.71
May	\$18,397.76
Jun	
Jul	
Aug	
Sep	
Oct	
Nov	
Dec	

SUBTOTAL MAY 2019 \$606,801.17

SUBTOTAL MAY 2020 \$456,639.00

TOTAL 2019 \$1,882,245.96

TOTAL 2020 \$456,639.00

