



Hotel Motel Tax Advisory Committee Meeting Minutes

Special Virtual Meeting

1/13/2021
3:00 - 5:00 PM

Members Present: Chair CM Stanley Tombs; Richard Scherzinger; Wendy Morgan; Jeff Bauknecht; Brandi Mitchell

Members Absent: Barbara Brunetti; Russell Stevenson

Staff Present: Evan Maxim, *CED Director*; Aleksandr Yeremeyev, *Economic Development Manager*; Tanja Carter, *Economic Development Strategist*; Gwen Pilo, *Finance Director*; Barbara Mailo, *Administrative Assistant 3*

Others Present: CM Pam Fernald; Deputy Mayor Peter Kwon; Katherine Kertzman, Meagan McGuire, Ashley Comar – SSRTA; Captain Joe Hodgson, CM Clyde Hill, Andrea Reay, Southside Chamber; SeaTac TV

Commence: 3:00PM

Adjourn: 5:26PM

1. Virtual Meeting Outline/Process	Chair Tombs opened up the virtual meeting.
2. Facilitated Introductions	Chair Tombs opened floor for committee members to introduce themselves.
3. Review and Approve Minutes of November 4 meeting	<input checked="" type="checkbox"/> Approved as Written <input type="checkbox"/> Approved with Modifications <input type="checkbox"/> Recommended for Approval <input checked="" type="checkbox"/> Approved Unanimously
4. SeaTac Police Department Report & Discussion a. Hotel Customer Safety Concerns Discussion	<p>Aleksandr Yeremeyev precluded the discussion surrounding safety issues that have been impacting the Hotel/Motel businesses in the City. He indicated that the Police is assisting in this area and are focused on the safety concerns, stating it is important to the hotel's ability to secure travel businesses and serve tourism related industry.</p> <p>Richard Scherzinger indicated that a local airline has taken business out of SeaTac and to another city due to reportedly unsafe conditions in the area. Concerns are mostly concentrated along the International Blvd corridor.</p> <p>Joe Hodgson presented the Hotel/Motel Activity and Activity Along International Blvd reports citing that these are the most common activities most relevant to the committee members. Hodgson provided statistics of various trends and types of crime. Crimes jumped up in Oct/Nov 2020 with emphasis on vehicle theft, numerous arrests for possession of stolen vehicles. Information provided is strictly surrounding Hotel/Motel properties and not the entire city.</p>



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	<p>Hodgson further reported that the department did perform a sting operation. Numbers are based on calls have increased since 2019 reporting activities along International Boulevard and in the vicinity of the King County de-intensification center shelter. Essence of problems stem from high volume of people coming into the city e.g. homeless people, people with mental health problems, etc.</p> <p>The Police and City’s approach is to secure a grant that will allow for increase in patrolling resources along International Boulevard with goal to help free up Police to focus on carrying out proactive work.</p> <p>Police & Council have worked together on new codes aimed at steering homeless to resources. The City has passed a moratorium on new shelters in SeaTac. Notable issue – Shelter has been moved to the Sleep Inn</p> <ul style="list-style-type: none"> - Changed dynamics - Things look different <p>Richard Scherzinger indicated that stolen vehicles is a mild concern compare to other crimes reported around the property. Examples of other crimes reported are outside people breaking into hotel rooms, property theft, and vagrant activities.</p> <p>Katherine Kertzman suggested that a business is losing airline contracts because of the “general perception” of crime in the city. She elaborated indicating that this perception may also deter new business establishment in the City and negatively impact the tourism industry as well.</p> <p>Chair Tombs commented that Council is data-driven and therefore more information will help determine budget and decisions for the city.</p>
<p>5. SSRTA Update</p>	<p>Katherine Kertzman confirmed retirement and leaving Seattle Southside Regional Tourism Authority (SSRTA). Kertzman identified categories of twenty stakeholders to be interviewed by consultants, including looking at persons they work with on a daily basis, to determine what criteria should be considered for the next leader/CEO that will be put in the job posting.</p> <p>Kertzman explained that Zoom meetings will be conducted to interview stakeholders and undergo interview process that included applications and videos. Kertzman further indicated that the Board will review and narrow the options down to three candidates, who will be interviewed by Board and City Managers/Administrators of Des Moines, Tukwila and SeaTac. The Council Chair of HMac & SeaTac CED Director will be invited to sit in for the interview.</p> <p>Ashley Comar presented the King County Recovery Campaign</p> <ul style="list-style-type: none"> - How we got here with this funding <ul style="list-style-type: none"> o Partnership – Visit Seattle & Seattle SSRTA o Approach: Goal, Audience, Strategy, Measurement o Campaign message: Do Something o Campaign Considerations – Varying audiences, Diversity and Inclusion, Safety is paramount, People first o King County Media Channels



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	<ul style="list-style-type: none"> ○ South King County Approach ○ South King County Media Channels ○ All Media Channels ○ Campaign Visuals Photography Examples ○ Campaign Visuals Poster Examples ○ Campaign Visuals Social Carousel Examples ○ Campaign Visuals Digital ○ Campaign Visuals TV ○ Campaign Visuals Personal Touch Video Examples ○ Campaign Visuals Out of Home ○ Public Relations Influencer Outreach Examples ○ How to Get Involved ○ Questions <p>Tanja Carter asked about length of campaign. Comar replied that campaign is going on until end of February.</p>
<p>6. Smith Travel Report/WA Department of Revenue Statistics</p>	<p><input checked="" type="checkbox"/> Informational</p> <p>Richard Scherzinger presented the Smith Travel Report (STR) November 2020 Summary indicating the devastating drop in Occupancy & ADR - pricing dropped to stay competitive. In addition, the RevPAR dropped. This has a negative impact and a challenge for hotel operations. Supply is relatively stable, Demand dropped by 40% relative to Covid and travel restrictions, and report of Revenue at 58% drop.</p> <p>Aleksandr Yermeyev presented the HMA Local Tax Distribution Report with a 2019/2020 comparison. 2020 totals were approximately half of 2019 record year numbers.</p>
<p>7. Group Discussion of Industry Outlook/Recovery from COVID-19</p>	<p><input checked="" type="checkbox"/> Informational Update</p> <p>Brandi Mitchell reported on outlook on travel to Seattle, adding that they are starting to see pick up in business a few days out.</p> <p>Richard Scherzinger reported that thirty-six Seattle groups have cancelled bookings, Seattle's convention center doesn't have much on the books through June and indicated that these groups cannot decide a week or two before. Indicated that it looks like most of the activities for 2021 are not likely to go forward at the downtown convention center. Scherzinger expressed that the convention project renovation is also burning through contingency funds, which is a huge concern well into 2022. Cruise group canceled cruises, which typically benefit many of the hotels. Many organizers are writing off large events in 2021, observing short term pick up concerning travel, but will not see much happening until 2022. The industry observed a spike in leisure travel over the holiday period, but it dropped off now and more business travelers are observed.</p> <p>Brandi Mitchell reported an increase in travel to Hawaii with Pre-Covid testing prior to traveling to Hawaii.</p> <p>Wendy Ann Morgan indicated that 2020 had 5 weddings and 150 people visiting the SeaTac Botanical Garden June through December. The garden is currently in</p>



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	<p>the process of hiring an Exec Director supported through the lodging tax funding, and working on introducing new plants to the garden.</p> <p>Jeff Bauknecht reported that they are remaining closed right now and are at mercy of State Government to say when they can re-open at this point. There are conversations with legislature and government about opening at 25% capacity allowance. The discussion right now is focused on why Hope in mid-Feb to open at limited capacity. Focus right now is on when we can re-open.</p>
8. Lodging Tax Application/Funding Requests	<p><input checked="" type="checkbox"/> Informational</p> <p>Aleksandr Yeremeyev reported on the funding cycle of 2020 (with requests for 2021/22). He also reiterated that applicants can apply for the Opportunity Bucket.</p>
9. Destination Enhancement and Programs to Increase Tourism Attraction	<p><input checked="" type="checkbox"/> Informational</p> <p>Aleksandr Yeremeyev commented on reviewing the economic vitality component of SeaTac's comprehensive plan for City. The City is working on adding high-level policy and objectives around Tourism and Travel. A Destination Development Strategy will be developed in collaboration with the SeaTac City Council, SSRTA, HMAC, Industry representatives and the community. Components include 1) Physical destination development, 2) Programmatic and 3) SeaTac as Destination Image/Brand. This body of work is intended for completion in 2021 to provide a common framework for overall strategic destination development work and inform decision making related to lodging tax-funding allocations in SeaTac.</p> <p>Wendy Ann Morgan asked CED Director Evan Maxim whether any of the lodging tax money was requested as a result of the Housing Action Plan (HAP) or the Economic Development Comp. Plan Update.</p> <p>Director Maxim responded that there was not authorization of any lodging tax funds at the referenced meeting.</p>
10. City Updates	<p><input checked="" type="checkbox"/> Informational Update</p> <p>None</p>
11. Other Business	None
12. Adjournment	Chair Tombs adjourned the meeting at 5:26 PM.