



Memorandum

Date: 10/21/2025
Meeting of: City Council

File No. AM No. 25-150
Type: Consent Item

TO: Members of the City Council
FROM: Mayor Angela Birney
DEPARTMENT DIRECTOR CONTACT(S):

Planning and Community Development	Carol Helland	425-556-2107
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DEPARTMENT STAFF:

Planning and Community Development	Seraphie Allen	Planning Deputy Director
Planning and Community Development	Philly Marsh	Economic Development Manager
Planning and Community Development	Jackie Lalor	Economic Development and Tourism Program Administrator

TITLE:

Approval of the 2026 Tourism Grant Funding - Lodging Tax Advisory Committee (LTAC) Recommendations

OVERVIEW STATEMENT:

Per RCW 67.28.1816, the Lodging Tax Advisory Committee (LTAC) unanimously recommends the 2026 Tourism matching grants of \$175,000 and City Community Events and Cultural Arts Program allocations of \$150,000, for a total of \$325,000. Funding for the tourism matching grants comes from 1% lodging tax on Redmond hotels and motels through the Lodging Tax Tourism Fund.

☒ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ **Receive Information** ☐ **Provide Direction** ☒ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
 - Redmond 2050 Comprehensive Plan:
 - EV-22 Support Redmond's growth as a tourism destination and foster tourism-related initiatives that bring investment and economic benefit.
 - Adopted 2024 Tourism Strategic Plan:
 - Goal 1.1: Position and promote Redmond as an intercultural destination showcasing various cultures through arts, events, and dining options.
 - Goal 1.18: Promote parks in Redmond's urban centers as a destination, fostering a diverse range of programming to maintain its vibrancy and activate the surrounding area.

- Goal 2.2: Promote recreational fields, trails, and water for tournaments, competitions, and events to recreational and athletic organizations.
- Goal 3.1: Work with the LTAC to prioritize support for events and festivals that include an overnight component.

Adopted 2024 Economic Development Strategic Plan:

- Action 3G.1. Continue efforts to develop and offer diverse and inclusive arts, recreational, and cultural programming that draws visitors to Redmond.
- Action 3G.2. Support Redmond's Tourism Program and the Tourism Strategic Plan to align the City's tourism efforts for economic impact.
- **Required:**
(RCW) 67.28.1816: <https://app.leg.wa.gov/RCW/default.aspx?cite=67.28.1816>
- **Council Request:**
N/A
- **Other Key Facts:**
- As authorized by the Revised Code of Washington (RCW) 67.28.180 <<https://app.leg.wa.gov/rcw/default.aspx?cite=67.28.180>>, a 1% lodging tax is collected from overnight stays at hotels within Redmond. This revenue is allocated to a special revenue Lodging Tax Fund, also known as the Tourism Fund.
- (RCW) 67.28.1816 <<https://app.leg.wa.gov/RCW/default.aspx?cite=67.28.1816>> authorizes the use of lodging tax funds for tourism marketing and the marketing and operations of special events and festivals designed to attract tourists.
- (RCW) 67.28.1816 <<https://app.leg.wa.gov/RCW/default.aspx?cite=67.28.1816>> states that the "local lodging tax advisory committee must select the candidates from among the applicants applying for use of revenues in this chapter and provide a list of such candidates and recommended amounts of funding to the municipality for final determination."
- The purpose of the Lodging Tax Fund is to increase tourism in Redmond by attracting visitors from more than 50 miles away, particularly overnight visitors who stay in Redmond hotels.
- The LTAC consists of 7 members, including an equal number of hoteliers and members representing interests that might be funded by the tax. A Councilmember, currently Councilmember Steve Fields, serves as the committee chair.

Applicant Scoring: Per Council's feedback from January 2020 and additional feedback from November 2021, the grant application criteria were detailed out, and application components supporting these criteria were assigned points. Each application received a weighted ranking.

Lodging Tax Fund Performance and Budget:

- The lodging tax fund closed 2024 with revenues of \$716,186. The end fund reserve is approximately \$1.2 million.
- The 2025 budget proposes \$150,000 for tourism grants, with a one-time \$25,000 opportunity funding increase from the end fund reserve for new events and tourist promotion opportunities. The total budget for tourism grants is \$175,000.
- City Community Events and Cultural Arts Programming were recommended at the same historical and budgeted amount of \$150,000.

Conflicts of Interest in Recommending Applicants:

- Conflicts of interest are common on this committee due to the state requirement that members must either be an entity for which the tax is charged or an entity that might receive grant dollars. These conflicts of interest are noted in the full scoring spreadsheet. Members were not asked to recuse themselves from the recommendation vote or discussion, per MRSC guidance. However, staff requested recusal of specific application conversations if a

direct personal financial interest was involved related to the application.

OUTCOMES:

Applications Received:

The City received 23 external grant applications by the August 11 deadline and one additional application submitted one day late (24 total external applications). In addition, the LTAC received three funding requests from City Community Events: one each for Redmond Lights, Derby Days, and Cultural Arts programming.

The 2026 grant cycle represents the highest number of applications the City has received, with four new applicants directly connected to World Cup planning efforts.

The LTAC recommends funding 22 of the 24 external applications that demonstrated alignment with the grant criteria and tourism goals, totaling \$175,000. The LTAC also recommends fully funding City Community Events and Cultural Arts programming at the budgeted amount of \$150,000.

LTAC 2026 Tourism Grant Recommendations: Please see attached document "Attachment B: Simplified Scoring-2026 Tourism Grants" for recommendations and discussion notes.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
Application window was July 21 - August 11
- **Outreach Methods and Results:**
 - Application notification via e-mail to past participants
 - Application window notification via eNews and press release
 - Application messaging through local partners
- **Feedback Summary:**
N/A

BUDGET IMPACT:

Total Cost:

Total Cost: A total of \$175,000 for matching grants and \$150,000 for City Community Events and Cultural Arts Programming is recommended by the Lodging Tax Advisory Committee by unanimous vote for City Council's approval.

Approved in current biennial budget: ☒ Yes ☐ No ☐ N/A

Budget Offer Number:

0000304 - Community and Economic Development

Budget Priority:

Vibrant and Connected

Other budget impacts or additional costs: ☐ Yes ☐ No ☒ N/A

If yes, explain:

N/A

Funding source(s):

Lodging Tax

Budget/Funding Constraints:

N/A

☐ Additional budget details attached

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
10/7/2025	Committee of the Whole - Planning and Public Works	Receive Information

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
N/A	N/A	N/A

Time Constraints:

To allow adequate time for applicants to plan appropriately with their available funding, we would like to complete the grant approval process no later than November 25, 2025.

ANTICIPATED RESULT IF NOT APPROVED:

If the LTAC recommendation is not approved, proposed events may not receive matching grant funds from the City and may not be able to proceed as planned.

ATTACHMENTS:

- A. Attachment A_2026 List of Grant Applicants
- B. Attachment B_Simplified Scoring_2026 Tourism Grants
- C. Attachment C_2026 Grant Application Full Scoring Matrix_FINAL LTAC Recommended
- D. Attachment D_August 26, 2025 LTAC Meeting_DRAFT MINUTES
- E. Attachment E_General Tourism and LTAC FAQ and Overview_2025
- F Attachment F Applications