REQUEST FOR COUNCIL ACTION

DATE ACTION IS REQUESTED: November 16, 2026 **REVIEW:** November 9, 2026	**TITLE:** Lodging Tax Advisory Committee (LTAC) Recommendations Authorizing 2027 Contracts for Tourism. **ATTACHMENTS:** Memo and draft LTAC Retreat minutes as presented to the City Council November 9, 2026.	**TYPE OF ACTION:** __ ORDINANCE __ RESOLUTION _x_ MOTION NO. 2026-81 __ OTHER

SUBMITTED BY: Tho Kraus, Deputy City Manager.

RECOMMENDATION: Authorize the City Manager to enter into 2027 LTAC grant contracts as recommended by LTAC.

DISCUSSION: Please see attached memo and draft LTAC Retreat minutes as presented to the City Council on November 9, 2026.

ALTERNATIVE(S):

1. The City Council may accept or reject any of the LTAC funding recommendations.

   The City Council is not required to fund the full list of recommended recipients and may choose to make awards to some or even none of the recommended recipients, but the City Council may not award funds to any recipient that was not recommended by LTAC.

2. Return the recommendations to the LTAC for further consideration. Under this alternative, the City Council would need to provide direction as to what it desires from the committee.

   The City Council may award amounts different from the LTAC's recommended amounts but only after satisfying the procedural requirement of submitting the proposed change(s) to the LTAC for review and comment at least 45 days before financial action is taken.

FISCAL IMPACT: Recommendations totaling $2,413,743 (details provided in attached memo along with revised table).

Dana Kapla, Assistant Finance Director Prepared by	_____ City Manager Review
Tho Kraus Department Director	

TO: Mayor and City Councilmembers

FROM: Dana Kapla, Assistant Finance Director
Tho Kraus, Deputy City Manager

THROUGH: Doug Russell, City Manager

DATE: November 9, 2026

SUBJECT: Review of 2027 Lodging Tax Funding Allocations

ATTACHMENTS: Draft LTAC Minutes from September 18, 2026 Retreat

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Overview
As authorized under state law, the City of Lakewood has enacted a lodging tax. The City receives a 7% share of the taxes collected by Washington State from lodging-related businesses located within the City.

Of this amount, 4% may be used for tourism promotion or the acquisition, operation, or maintenance of tourism-related facilities. The remaining 3% is restricted to the acquisition, construction, expansion, marketing, management, or financing of convention facilities and major tourism destination attractions serving at least one million visitors per year. The entire 7% may be used for capital purposes.

This memorandum summarizes the Lodging Tax Advisory Committee (LTAC) process, estimated funding available, eligible uses, grant requests, and LTAC's funding recommendations for 2027.

Lodging Tax Advisory Committee
State law requires cities collecting lodging tax to establish a Lodging Tax Advisory Committee (LTAC). The LTAC must have at least five members appointed by the City Council:

- One elected official from the City, who serves as Chair; and
- Two members representing businesses required to collect the tax; and
- Two members representing entities eligible to receive lodging tax funding.

There is no maximum membership, provided the number of representatives from each category remains equal. Current members are:

Chair	Represent Businesses Authorized to Collect the Tax	Represent Entities Authorized to Receive Funding
Mayor Jason Whalen	Jarnail Singh Comfort Inn & Suites	Dean Burke Travel Tacoma-Mt Rainier Tourism & Sport
	Alana Ball Best Western Lakewood	Linda Smith Lakewood Chamber of Commerce

One of LTAC's primary responsibilities is to review applications for lodging tax funds. LTAC evaluates requests through a public process and submits funding recommendations to the City Council. The Council may approve or reject any recommendation but cannot add new recipients or modify award amounts without returning the proposals to LTAC for further review.

2026 Estimated Funds Available for 2027 Grant Awards

	Restrictions on Use		
	4%	3% (Restricted)	
Total Estimated Funding Available for 2027 Grant Awards	Reserved for tourism, promotion, acquisition of tourism related facilities, or operation of tourism related facilities.	Reserved for acquisition, construction, expansion, marketing, and management of convention facilities.	**Total**
Estimated Ending Balance, 12/31/2026	$869,806	$1,543,943	$2,413,749
Total	**$869,806**	**$1,543,943**	**$2,413,749**

Grant Requests

On July 27, 2026, the City solicited proposals for 2027 lodging tax funding. A total of 19 proposals were received, requesting $3,429,9 in combined funding.

2026 Grant Award Recommendations

LTAC members received all completed applications on August 17, 2026, and held a public meeting on September 7, 2026, to hear presentations from applicants. The committee evaluated each proposal using the following criteria:

- Funds available
- Past performance
- Ability to attract tourism, particularly from outside the 50-mile radius
- Strength of the applications
- City of Lakewood's desire to retain dollars for future capital project(s)

Below are the Lodging Tax Advisory Committee's Recommendations:

2026 Requests for 2027 LTAC Grant Funds	Total Project Cost	Funding Request			Recommended Funding		
Applicant		Non-Capital	Capital	Total	Non-Capital (4%)	Capital (3%)	Total
Grave Concerns Association	$ 23,000	$ 18,000	$ -	$ 18,000	5,000	-	5,000
Historic Fort Steilacoom Association	14,000	12,000	-	$ 12,000	9,000	-	9,000
Asia Pacific Cultural Center	42,600	15,000	-	$ 15,000	15,000	-	15,000
Visit Tacoma-Pierce County	4,007,992	125,000	-	$ 125,000	125,000	-	125,000
Lakewold Gardens	255,000	255,000	-	$ 255,000	100,000	-	100,000
Lakes Cross County Booster Club	18,000	18,000		$ 18,000	18,000	-	18,000
Lakewood Chamber of Commerce	150,000	150,000	-	$ 150,000	135,000	-	135,000
Lakewood Sister Cities Association	43,500	42,000	-	$ 42,000	25,000	-	25,000
Lakewood Playhouse	238,364	200,000	-	$ 200,000	50,000	-	50,000
Lakewood Historical Society & Museum	80,600	50,900	-	$ 50,900	24,300	-	24,300
Tacoma Country & Golf Club	688,500	75,000		$ 75,000	20,000	-	20,000
Commencement Bay Rowing Club	20,000	5,000		$ 5,000	5,000	-	5,000
City of Lakewood - SummerFEST	340,000	280,000	-	$ 280,000	229,000	-	229,000
City of Lakewood - Farmers Market	93,000	78,000	-	$ 78,000	33,500	-	33,500
City of Lakewood - Summer Concerts -	51,000	36,000	-	$ 36,000	36,000	-	36,000
City of Lakewood - Street Festival in the	18,000	10,000	-	$ 10,000	5,000	-	5,000
City of Lakewood - Fiesta de la Familia	60,000	35,000	-	$ 35,000	25,000	-	25,000
City of Lakewood - MLK Beloved	35,000	25,000	-	$ 25,000	10,000	-	10,000
City of Lakewood - FSP H-Barn Renovation	12,000,000	-	2,000,000	$ 2,000,000	-	1,543,943	1,543,943
	$ 18,178,556	**$ 1,429,900**	**$ 2,000,000**	**$ 3,429,900**	**869,800**	**1,543,943**	**2,413,743**
				2027 Available funds =>	**$ 869,806**	**$ 1,543,943**	**$ 2,413,749**
				Ending Balance =>	**$ 6**	**$ -**	**$ 6**

Next Step

On November 16, 2026, the City Council will be requested to authorize the City Manager to enter into service contracts for the provision of tourism services in 2027.

The City Council may:

1. Accept or reject any of the LTAC funding recommendations;

   The City Council is not required to fund the full list of recommended recipients and may choose to make awards to some or even none of the recommended recipients, but the City Council may not award funds to any recipient that was not recommended by LTAC.

2. Return the recommendations to the LTAC for further consideration. under this alternative, the City Council would need to provide direction as to what it desires from the committee; or

   The City Council may award amounts different from the LTAC's recommended amounts but only after satisfying the procedural requirement of submitting the proposed change(s) to the LTAC for review and comment at least 45 days before financial action is taken.

City of Lakewood

LODGING TAX ADVISORY COMMITTEE (LTAC)
MINUTES

Friday, September 18, 2026
Council Chambers (and via Zoom)

CALL TO ORDER
Chair Mayor Paul Bocchi called the meeting to order at 8:47 a.m.

ROLL CALL (Committee members announced their presence)
Members present: Lakewood Mayor Paul Bocchi, Chair; Alana Ball, Best Western Lakewood, Jarnail Singh, Comfort Inn & Suites (online), Dean Burke, Visit Tacoma-Pierce County, Linda Smith, Lakewood Chamber of Commerce.

Members Absent: None

City staff present: Dana Kapla. Assistant Finance Director, and Joanna LaVergne, Administrative Assistant.

PUBLIC COMMENTS - None

MEETING MINUTES APPROVAL - The Committee approved the May 5, 2025 and September 5, 2025 LTAC meeting minutes. Both motions passed unanimously. (00:00:18)

2026 GRANTS STATUS & FUND BALANCE – Dana Kapla, Assistant Finance Director.
Ms. Kapla stated the 2026 projected revenue is $1,351,250, and the estimated the projected fund balance at 12/31/2026 is $2,413,749. From that, $869,806 is reserved for Reserved for tourism, promotion, acquisition of tourism related facilities, or operation of tourism related facilities, and $1,543,943, is reserved for acquisition, construction, expansion, marketing, and management of convention facilities. (00:00:55)

Committee members discussed the need to develop formal scoring criteria and schedule future policy meetings to improve consistency, equity, and governance in the lodging tax grant process.

2027 GRANT PROPOSAL PRESENTATIONS (00:07:37 – 05:51:56)

Grave Concerns Association – Laurel Lemke, Chairperson
Ms. Lemke provided an overview of the Western State Hospital Grave Concerns Association, including its history, mission, vision, and guiding principles. She discussed the organizations the Association works with to place grave markers and medallions, reviewed how prior lodging tax funding was used, and presented information regarding the Association's 2027 funding request. A brief discussion followed. (00:07:37)

Historic Fort Steilacoom Association (HFSA) – Walter Neary, Board Secretary.
Mr. Neary provided an overview of the Fort Steilacoom Historic District and acknowledged the area's connection to the Coast Salish peoples and the complex history of the U.S. Army fort. He discussed the Association's historic preservation initiatives and the importance of continued government support for its work. (00:18:20)

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Asia Pacific Cultural Center (APCC) - Faaluaina Pritchard, Executive Director
Ms. Pritchard presented APCC's proposal for the 17th Annual Samoa Cultural Week in 2027. She discussed the event's focus on preserving and sharing Samoan culture and described the planned three-day celebration, including a Community Dinner & Awards, Samoa Youth Night, and the Tanoa Festival. The presentation also addressed cultural performances, community education, and engagement with the region's Pacific Islander community. (00:28:02)

Tacoma-Pierce County Tourism Authority - Dean Burke, President/CEO
Mr. Burke presented an overview of regional tourism marketing efforts and described how visitor and market data are used to target audiences and promote regional attractions. He discussed the role regional events and venues play in generating hotel demand, including lodging activity in Lakewood. (00:41:24)

Lakewood Chamber of Commerce – Tourism - Linda Smith, President/CEO
Ms. Smith presented the Chamber's request for $150,000 to serve as the City's tourism and visitor services partner. She discussed operation of the seven-day-a-week Visitor Information Center and development of the SEE Lakewood digital magazine and website to promote Lakewood businesses, attractions, and lodging (SEELakewood.com). (00:56:11)

Lakewold Gardens – Justin Henderson, Executive Director and Lead Horticulturist
Mr. Henderson provided an overview of Lakewold Gardens, a 10-acre historic nonprofit public garden in Lakewood that welcomes approximately 18,000 visitors annually. He highlighted recent improvements, including restoration of the carriage house, a new accessible entrance and garden paths, and refreshed garden designs. He also reviewed year-round events and programs, including Pour in the Park, Winter Glow, Fairy Fest, All Hallows, art exhibits, concerts, weddings, and educational field trips, as well as community-access programs such as Blue Star Museums, Tacoma Public Library passes, and pay-what-you-can admission on the third Thursday of each month. (01:26:40)

The Lakes Cross Country Booster Club – Peter Johnson
Mr. Johnson presented the Club's proposal and discussed the regional tourism impact of its large-scale running events. He reported that the primary 2026 event was expected to host approximately 3,900 runners from 117 teams, with many participants traveling from outside the area and using local lodging. He also discussed the Club's support of other regional races, including the Westside Classic and John Payne Hoka, and the role youth athletic events play in generating visitor activity and hotel stays. (01:50:30)

City of Lakewood PRCS – Fort Steilacoom Park H-Barn Renovation – Roxanne Miles, Parks and Recreation, and Gretchen Hayes, Special Event Coordinator
Ms. Miles presented the funding request for renovation of the H-Barn, a key component of the Fort Steilacoom Historic District. The project would restore the historic barn, formerly used as an agricultural facility for Western State Hospital, and adapt it into an indoor gathering and event space. She reported that the project received an initial $2 million allocation in the prior year and was in the 30 percent design phase. Planned improvements include multi-functional indoor and outdoor areas, an open-air pavilion, and a plaza intended to support regional special events, conferences, farmers markets, master gardener workshops, and other community activities. (02:14:07)

Lakewood Sister Cities Association — International Festival - Connie Coleman-Lacadie, President
Ms. Coleman-Lacadie discussed the Association's participation in SummerFEST and its efforts to strengthen international relationships by hosting delegations and cultural performers from Lakewood's sister cities. She noted that SummerFEST drew approximately 47,000 attendees this year. The 2027 request would support

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cultural programming, delegation support, and community engagement associated with the festival. (02:33:43)

RECESS – The Committee recessed for lunch and subsequently reconvened. (02:46:04)

Lakewood Playhouse – Joseph Walsh, Producing Artistic Producer/Director; Deana Crossen, Treasurer; Darryin B. Cunningham, Interim Producing Artistic /Producer/Director.
Mr. Walsh, Mr. Cunningham, and Ms. Crossen presented the Playhouse's grant proposal and discussed its role as a community gathering place for artistic expression and connection. They highlighted inclusive programming, including the Performer Sandbox for adults with developmental disabilities, and recognition received from Sound on Stage. The request would support organizational stability, expanded programming, and infrastructure improvements, including development of an outdoor "Secret Garden" space for community productions and educational outreach. (03:42:10)

Lakewood Historical Museum – Glen Spieth, Vice President
Mr. Spieth reviewed the Museum's year-round programming, including historical film screenings, lectures, and exhibits such as the Lakewood Fire Department history display. He discussed recent audiovisual upgrades to the 70-seat presentation room, ongoing digitization of historical newspapers including the Lakewood Log, and installation of historical bronze markers throughout the community, with 22 currently in place. He also noted the Museum's need for additional volunteers, docents, and board members and its exploration of potential expansion into upstairs space to display more of its collection. (04:06:03)

Tacoma Country & Golf Club – Ben Edwards, General Chair and COO; and Paul Winsley, Chair tournament committee member and past president
Mr. Edwards and Mr. Winsley presented preparations for the 9th U.S. Senior Women's Open Championship in 2027 and discussed the Club's 130-year history in Lakewood. The Club requested $75,000 in lodging tax funds for championship-related expenses, including marketing, equipment rentals, and volunteer coordination. Committee discussion addressed the amount requested in relation to projected hotel room nights within Lakewood and the potential for lodging activity in neighboring communities. The presenters discussed responsible stewardship of grant funds, use of local vendors where possible, and opportunities to showcase Lakewood to a national audience. (04:20:02)

City of Lakewood PRCS – Various Events – Roxanne Miles, Parks and Recreation Director and Gretchen Hayes, Special Event Coordinator.

- **Summerfest:** Presentation described the City's largest festival, with estimated attendance of 57,000, and discussed its tourism and economic impact on vendors and local businesses. (05:12:01)
- **Farmers Market:** Presentation reported approximately $660,000 in sales and described the weekly market, held Tuesdays from May through fall, as a regional draw. They noted survey information indicating that 50 percent of non-resident attendees identified the market as a primary or strong secondary reason for visiting Lakewood. (05:21:46)
- **Summer Concert Series:** Presentation reviewed the nine-concert series held in conjunction with the Farmers Market and discussed its role in extending visitor stays, supporting local dining and vendor sales, and generating social media engagement. (05:27:32)
- **Street Festival in the Plaza:** Presentation described the May event as a kickoff to the summer season intended to activate the downtown plaza and strengthen connections with downtown businesses. (05:31:02)
- **Fiesta de la Familia:** Presentation discussed the September event's focus on engaging the Latino community, its regional draw, and partnerships with cultural organizations and public media. (05:36:01)

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- **MLK Beloved Community:** Presentation reviewed the February event and its expansion beyond a single day to include year-round workshops and youth-focused art receptions centered on the concept of the "beloved community." (05:40:06)

A brief discussion followed. (05:46:40)

GRANT FUNDING DECISIONS (06:09:17)
The Committee reviewed the 2027 grant requests and available lodging tax resources. Total non-capital requests exceeded available non-capital funding by approximately 64 percent. Members discussed the tourism and lodging impacts of the proposals, regional tourism services, anticipated room-night generation, and reductions needed to bring recommendations within available funding.

Committee Member Dean Burke moved to recommend FY2027 non-capital lodging tax funding totaling $869,800 as reflected in the attached recommendation schedule. Committee Member Alana Ball seconded the motion. The motion passed unanimously.

Committee Member Dean Burke moved to recommend FY2027 capital lodging tax funding totaling $1,543,943 as reflected in the attached recommendation schedule for H-Barn. Committee Member Linda Smith seconded the motion. The motion passed unanimously.

Committee members reiterated the importance of implementing a formal scoring system before the next funding cycle and agreed that future meeting(s) would be scheduled to discuss the grant evaluation process.

LAKEWOOD LODGING TAX ADVISORY COMMITTEE RECOMMENDATIONS

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				Ending Balance =>	**$ 6**	**$ -**	**$ 6**

ADJOURNMENT - Chair Mayor Paul Bocchi adjourned the meeting at 4:19 p.m.

For the full video of this meeting go to the City of Lakewood YouTube channel and visit the following link: https://www.youtube.com/live/lXCzqEAw2Zg?si=dJGql0aZ7Q3NMz2Y

Preparation Note: These minutes were prepared by City staff with the assistance of artificial intelligence (AI) tools for transcription, summarization, and/or editing. City staff reviewed and verified the final minutes for accuracy.

_____ _____

Dana Kapla, Asst. Finance Director (Preparer) Mayor Paul Bocchi, Chair

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