

CITY OF BELLEVUE, WASHINGTON

ORDINANCE NO. 6724

AN ORDINANCE providing for the establishment of the Bellevue-Redmond Tourism Promotion Area and approving other matters related thereto.

WHEREAS, the tourism industry is a vital and substantial component of the local economy and tourism promotion increases the number of visitors to the region, which in turn increases regional sales supporting the local economy;

WHEREAS, the Legislature of the State of Washington has recognized the importance of tourism promotion and, pursuant to Chapter 35.101 of the Revised Code of Washington (RCW), as it now exists and may hereafter be amended (the "TPA Act"), authorizes cities to establish tourism promotion areas and to levy a tourism promotion charge on the furnishing of lodging on certain lodging business (as defined in the TPA Act, "Lodging Businesses") to fund tourism promotion (as defined in the TPA Act);

WHEREAS, RCW 35.101.010(2)(b) and RCW 35.101.040 allow cities located in a county with a population of one million or more residents to form a tourism promotion area when acting jointly pursuant to an interlocal agreement under Chapter 39.34 RCW (the "Interlocal Cooperation Act");

WHEREAS, pursuant to the TPA Act and the Interlocal Cooperation Act, the City of Redmond (date 1/9/2023) and the City of Bellevue (date 1/19/2023) entered into an "Interlocal Agreement for the Joint Establishment of a Tourism Promotion Area," as it may be amended from time to time (the "Interlocal Agreement"), to, among other things, designate the Bellevue City Council (the "City Council") as the "Legislative Authority" for purposes of the proposed and to-be-formed Bellevue-Redmond Tourism Promotion Area (the "Bellevue-Redmond TPA" or "BRTPA");

WHEREAS, on January 18, 2023, operators of Lodging Businesses, located in the proposed Bellevue-Redmond TPA, presented a petition (the "Initiation Petition") to the City Council to initiate the establishment of the BRTPA;

WHEREAS, the Initiation Petition contained all of the required elements pursuant to RCW 35.101.020;

WHEREAS, after receipt of the Initiation Petition, the City Council passed Resolution No. 10216 on January 23, 2023 (the "Resolution of Intent"), providing notice of its intent to establish the Bellevue-Redmond TPA and setting the time and place for a public hearing to hear protests and receive evidence for or against the formation of the BRTPA;

WHEREAS, following proper notice as required by the TPA Act and the authorization contained in the Interlocal Agreement, the City Council held a public hearing on February 6, 2023; and

WHEREAS, following such public hearing, the City Council, as the designated "Legislative Authority" for purposes of the TPA Act, the Interlocal Cooperation Act, and the Interlocal Agreement, now desires to establish the Bellevue-Redmond TPA as provided herein.

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. Resolution of Intent and Public Hearing. Pursuant to RCW 35.101.080 and the Interlocal Agreement, the City Council hereby provides the following information:

(a) *Resolution of Intent.* The City Council previously adopted a Resolution of Intent, Resolution No. 10216, on January 23, 2023. The title of the Resolution of Intent is as follows:

A RESOLUTION of the City Council of the City of Bellevue, Washington, the designated "legislative authority" for the proposed Bellevue-Redmond Tourism Promotion Area, pursuant to the Interlocal Agreement for the Joint Establishment of a Tourism Promotion Area, by and among the City of Bellevue and the City of Redmond, providing notice of the intent to establish a tourism promotion area; providing notice that the City Council shall conduct a public hearing on the establishment of a tourism promotion area; identifying the proposed boundaries for the tourism promotion area; identifying the proposed use of revenues generated by the tourism promotion area; identifying the estimated costs for the tourism promotion area; and identifying the estimated charges to be imposed in support of the tourism promotion area, among other matters.

(b) *Public Hearing.* The City Council provided notice of the public hearing as required in RCW 35.101.060, which included publishing the Resolution of Intent in the Seattle Times, a newspaper of general circulation in the cities in which the proposed Bellevue-Redmond TPA is to be established, and mailing a complete copy of the Resolution of Intent to each Lodging Business in the proposed area. Publication and mailing were completed at least 10 days prior to the public hearing. A public hearing was held at 6:00 p.m., or as soon as possible thereafter, on February 6, 2023, in the City Council Chamber, located at Bellevue City Hall, 450 – 110<sup>th</sup> Avenue NE, Bellevue, WA 98004. At the public hearing, the City Council received comments and testimony concerning the formation of the proposed BRTPA. Protests on the proposed BRTPA were not received from Lodging Businesses that would pay a majority of the proposed charges.

Section 2. Establishment of the Bellevue-Redmond Tourism Promotion Area. In accordance with RCW 35.101.010(2)(b) and RCW 35.101.040(2), the cities of Redmond and Bellevue have executed the Interlocal Agreement required for joint establishment and operation of a tourism promotion area; and the City Council has received the Initiation Petition, adopted the Resolution of Intent, and held a public hearing as required by the TPA Act and the Interlocal Agreement. As the designated Legislative Authority for the proposed tourism promotion area, the City Council hereby establishes a tourism promotion area to be called the “Bellevue-Redmond Tourism Promotion Area”.

Section 3. Area Boundary. The boundaries of the Bellevue-Redmond TPA shall include the incorporated areas of the cities of Bellevue and Redmond as shown on the map attached as “Exhibit A.” The BRTPA shall include two zones: a Bellevue Zone, incorporating the entire area of the incorporated city limits of the City of Bellevue; and a Redmond Zone, incorporating the entire area of the incorporated city limits of the City of Redmond.

Section 4. Rate of Charges. The charges to be levied on the furnishing of lodging by Lodging Businesses located in the Bellevue-Redmond TPA are contained in the table below; provided the charges shall not be imposed on lodging rooms that provide (a) stays for the purpose of temporary medical housing; (b) stays by airline crews under contract with Lodging Businesses subject to the tourism promotion charge; (c) stays exceeding thirty (30) consecutive days; and (d) stays pursuant to meetings, conventions, and event contracts executed prior to the start date of the BRTPA.

The charges to be levied and imposed are as follows:

Classifications	Base Charge (RCW 35.101.050)	Additional Charge (RCW 35.101.057)	Total Charge
Bellevue Zone	\$2.00 per night per stay	\$0.50 per night per stay	\$2.50 per night per stay
Redmond Zone	\$2.00 per night per stay	\$0.50 per night per stay	\$2.50 per night per stay

The Bellevue Zone encompasses those Lodging Businesses located within the area of the incorporated city limits of the City of Bellevue. The Redmond Zone encompasses those Lodging Business located within the area of the incorporated city limits of the City of Redmond.

The charges authorized herein (a) are not a tax on the “sale of lodging” for the purposes of chapter 82.14 RCW, (b) are in addition to the special assessments that may be levied under chapter 35.87A RCW and 67.28 RCW, and (c) are intended for Tourism Promotion.

In accordance with RCW 35.101.057, the “additional charge” shall expire on July 1, 2027; unless petitioned to be removed earlier in accordance with RCW 35.101.130(3).

#### Section 5. Use of Revenue.

(a) The revenue from the charges collected from the Lodging Businesses located within the Bellevue-Redmond TPA shall be used exclusively for Tourism Promotion services as defined in chapter 35.101 RCW, as it now exists or is hereafter amended, and as clarified in the Interlocal Agreement. Such authorized purposes may include, but are not limited to:

- (i) The general promotion of tourism and convention business within the BRTPA as may be recommended by any tourism destination marketing organization or other similar organization with whom the Legislative Authority shall contract to administer the operation of the BRTPA.
- (ii) Advertising, marketing, public relations, and communications programs designed to attract overnight visitors to, increase consumer demand to, and increase market share to the BRTPA.
- (iii) Tourism development programs, corporate visitation, meetings, conventions, festivals, events programs to promote and increase local tourism resulting in overnight stays in the BRTPA.

- (iv) Tourism and visitation research and data to inform and advance tourism to the BRTPA.

The amount contributed toward Tourism Promotion within Bellevue and Redmond shall be proportionate to the amounts collected from Lodging Businesses operating within each respective city. Included within the scope of Tourism Promotion is the administrative costs associated with the Bellevue-Redmond TPA as allowed by the Interlocal Agreement.

(b) The City Council shall adopt an annual budget for the use of revenues collected from the BRTPA as required by the Interlocal Agreement. The City Council may also contract with one or more destination marketing organization, similar organization, or public entity for operation and management of the BRTPA pursuant to RCW 35.101.130 and the Interlocal Agreement.

(c) Revenues shall be collected, administered, distributed, and managed as provided in the TPA Act and the Interlocal Agreement. The City Council hereby requests the Washington State Department of Revenue to remit all revenues to the City of Bellevue. Any revenues received by the City, and interest earned thereon, shall be deposited by the City in a special revenue fund as provided in the Interlocal Agreement.

Section 6. Modification or Disestablishment of the Tourism Promotion Area. The Bellevue-Redmond TPA may be modified and/or disestablished as provided in the TPA Act and in the Interlocal Agreement.

Section 7. General Authorization. The City Manager, or his/her designees, are authorized and directed to undertake all action necessary and to execute all documents required to carry out the purposes of this Ordinance. All acts taken pursuant to the authority granted in this Ordinance but prior to its effective date are hereby ratified and confirmed.

Section 8. Severability. If any section, subsection, paragraph, sentence, clause, or phrase of this Ordinance is declared unconstitutional or invalid for any reason, then such infirmity shall not affect the validity of the remaining parts of this Ordinance.

Section 9. Effective Date. This Ordinance shall be effective five (5) days after its passage and publication; provided, however, the charges authorized herein shall be effective no earlier than seventy-five (75) days after the City shall have entered into a contract for the administration and collection of such charges with the State Department of Revenue pursuant to the TPA Act.

Passed by the City Council this 13<sup>th</sup> day of February, 2023 and signed in authentication of its passage this 13<sup>th</sup> day of February, 2023.

(SEAL)



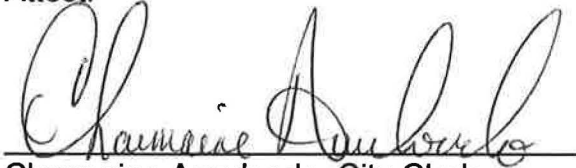
  
\_\_\_\_\_  
Lynne Robinson, Mayor

Approved as to form:  
Kathryn L. Gerla, City Attorney



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Brian Wendt, Assistant City Attorney

Attest:



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Charmaine Arredondo, City Clerk

Published 2/16/23

**EXHIBIT A**

