

LEAVENWORTH CITY COUNCIL
Study Session Agenda
City Hall - Council Chambers
December 10, 2019 8:30 a.m.

8:30 – 8:45 Chamber Report

This time is provided for a Chamber of Commerce representative to provide an update to the City Council on items of interest to the Chamber and City.

8:45 – 9:05 Leavenworth Area Promotions Budget Options

The City Council received the Leavenworth Area Promotions (LAP) Committee 2020 Budget request at the November Study Session. LAP provided the City Council with three recommend options for the 2020 budget allocation:

Option 1: 2020 Budget Allocation \$791,520

- Includes \$51,520 / 8% media increase to cover the cost of rising advertising/promotional fees in the last two years.
- Includes \$20,000 for Website (Chamber) Upgrades. Chamber budget typically covers ongoing website maintenance, LAP funding is used for enhancements of website.
- Includes \$26,000 in new funding for Facebook and Instagram promotions and advertising. Total expenditure in this media type would be \$93,000
- Includes \$50,000 in new funding for new video development and e-blasts. Total expenditure in this media type would be \$122,000

Option 2: 2020 Budget Allocation \$721,280

- Includes \$51,520 / 8% media increase to cover the cost of rising advertising/promotional fees in the last two years.
- Includes \$20,000 for Website (Chamber) Upgrades. Chamber budget typically covers ongoing website maintenance, LAP funding is used for enhancements of website.
- Includes \$5,760 in new funding for Facebook and Instagram promotions and advertising. Total expenditure in this media type would be \$72,760.

Option 3: 2020 Budget Allocation \$695,520

- Includes \$51,520 / 8% media increase to cover the cost of rising advertising/promotional fees in the last two years.

The 2019 LAP Budget appropriation by the City is \$644,000. The 2018 allocated budget was \$644,000 with the actual expenditure at \$643,999.19. The 2017 allocated budget was \$586,000 with the actual expenditure at \$585,993.32. The 2020 LAP Budget appropriation that was approved in 2018 is currently \$586,000.

The Economic Development Committee met on November 12, 2019 and gave a preliminary recommendation of the Option 2 Funding level. They also suggested that some funding within the budget be shifted toward the video development; however, that suggestion was to be posed to the LAP Committee. Approval of the 2020 budget allocation is necessary, as the LAP Committee moves into the 2020 calendar year and begins planning and scheduling the 2020 Work Plan, Promotional Buys, etc.

The Study Session discussion is to answer any additional questions that the City Council may have on the 2020 funding prior to consideration by the City Council at the evening meeting.

The following item is included under **EVENING TAB 6:**

- Marketing Budget Plan LAP for 2020 - Nov. 2019

9:05 – 9:25 Chamber of Commerce Contract Renewal

This time is provided for the Council to review and discuss the renewal of the Leavenworth Area Chamber of Commerce contract with the City of Leavenworth.

The current contract runs for three years (April 1, 2017 – March 31, 2020) and provides the Chamber with 18.5% of the lodging tax funds collected within the City from the previous calendar year. The term of expenditures (budget) on an annual basis is from April 1 through March 31. The funds are expended by the Chamber under RCW 67.28.1816. The funds are paid to the Chamber on a quarterly basis after a report by the Chamber is provided and reviewed by the City. The primary expenditure of these funds is for the operation and maintenance of the Chamber's Visitor Center.

At the November Study Session, the Chamber of Commerce provided a presentation and overview on the work being done by the Chamber of Commerce. They also provided a proposal on a future Chamber Contract with the City. Primarily requesting 18.5 % of the Lodging Tax Collection within the City for a three-year period 2020 – 2023. The Chamber also provided a spreadsheet which showed the proposed expenditures included in the packet materials. For the April 1, 2020 - March 31, 2021 expenditure period, the Lodging Tax allocation would be approximately \$421,000. The breakout of expenditures shows approximately 66% of the funds being used for the ongoing operation of the Visitor Center and 34% would be used for Economic Development. Economic Development includes Outdoor Recreational Infrastructure, Professional Speakers Series, Vehicle Wraps, Historical Tours, new industry ad, and Christmas Lighting Parking Assistance.

The Council may want to discuss the following:

The breakout of expenditures by the Chamber of the Lodging Tax Funds. Past City Councils did request the city funds be focused on the operation of the Visitor Center. In their presentation and follow-up conversations, the Chamber of Commerce is open to adjusting the expenditure levels in the various line items if the City Council has a strong preference. All Lodging Tax expenditures must conform with RCW 67.28.1816 Lodging Tax – Tourism Promotion (attached).

The 18.5% Lodging Tax Funding Allocation: Past City Councils, in their review of the contract, preferred the percentage amount of allocation, as that provides an incentive or sharing of the

success for the growth of the Lodging Tax Fund. However, the allocation could be based on a strict number amount or a different percentage.

The term of the agreement: The last three Chamber contracts with the City have been for three-year periods. That period of time could be extended or shortened. The City, typically in the past, has entered into contracts with other agencies, firms, or organizations for three to five-year time frames; some agencies have been just one-year contract extensions.

Following the conversation, this item can be directed to the Economic Development Committee which meets on Tuesday afternoon or added to the evening City Council Meeting for consideration of approval.

The following items are included under **TAB B:**

- COL/Chamber Lodging Tax Expenditure Spreadsheet
- RCW 67.28.1816 Lodging Tax – Tourism promotion.

9:25 – 9:55 2020 Planning Commission Docket Review

This time is provided to review and discuss the 2020 Docket that was first reviewed at the November Study Session. Modifications to the draft have been made, primarily to the code amendment section. Additionally, the CPAW process was removed, as funding was not secured; however, the Fire District and City Staff continue to review Fire Code regulation options, which is listed on the 2020 Docket.

The Docket is a list of planning projects, approved by the City Council, which the Planning Commission and staff use to focus and prioritize work throughout the upcoming year. While the primary purpose of the Docket is to address Comprehensive Plan amendments, per LMC Chapter 21.31, it has been expanded to include code amendments that are required, or assigned from the Council, to be heard by the Planning Commission. By expanding the Docket, the Planning Commission and Council may efficiently prioritize the overall workload for the year.

The 2020 Docket was developed based on last year's uncompleted projects and items identified by staff throughout the year. New items may be submitted by the public or through the upcoming Planning Commission and Council meetings or provided to staff through December 31, 2019. At the close of public requests, the draft Docket will be reviewed at the January 8, 2020 Planning Commission meeting and a joint Council and Planning Commission meeting scheduled for January 28, 2020. The purpose of this meeting is to prioritize each project on the 2020 Docket.

Prioritizing projects allows the Planning Commission and City Staff to focus time on items determined by the Council to best serve the community (LMC 21.31.030 and .040). In support of the Council's work, the Planning Commission will provide their recommended top three Comprehensive Plan projects and top three development regulation projects after their January 8th meeting. Final adoption of the Docket is anticipated in January with a placeholder for any City map amendment applications received by January 31st and any unincorporated amendments received from Chelan County by mid-March. Depending on the late submittals, the Docket may be amended in March.

The following items are included under **TAB C:**

- 2020 Docket, December Draft
- Process Outline

9:55 – 10:15 2020 Capital Budget Review

This time is allowed for the City Council to review and discuss the Capital Budget items within the 2019/2020 Budget. The City is on a biennial budget schedule with most of the budget work being completed in 2018 for this biennium.

Project	Estimated Cost	2019 Carryover or 2020
Wastewater Treatment Plant Sewer Interceptor	\$8,637,148 11/19/19 Est. \$1,316,000 11/7/2019 Carryover = \$864,000 (\$435K Eng / \$29K Bonding / \$400K Const.)	2019 Carryover & 2020 To Be Determined
Wastewater Pista Grit	\$219,000	2019 Carryover
Water Plant / Transmission Lines	TBD – Engineering and master Planning should begin in 2020	2020 To Be Determined
Water Meters	\$975,000 50% Funding IWG	2019 Carryover
Housing Study	\$48,700 Department of Commerce Funding	NEW
DOT & Downtown Parking Lot Improvements (LT & Parking Funding)	\$800,000 Parking Meter Project and DOT Lot Improvements	2019 Carryover - \$450K 2020 - \$350K
Pool Resurface	\$114,000	2019 Carryover
Front Street Restroom Expansion	\$54,380 = Architectural \$TBD – Construc. Est	2019 Carryover 2020 To Be Determined
Pine Street Phase 1	\$60,000	2020 To Be Determined
Festhalle Floor Resurface	\$38,000	2019 Carryover
Highway 2 Crosswalks	\$18,000	2019 Carryover
Residential/Comm Street Imp.	\$60,000	2020
Snowblower (GF, Street, LT & Parking)	\$160,000	2020
Osborn Elementary	To Be Determined	2020-2021
City Website Enhancement/Update		

There are no items included under **TAB D**.

10:15 – 10:30 Disposition of Final Golf Course Lot

This time is allowed for the City Council to be provided an update on the sale of the two properties that are under a sales agreement and the disposition of the third lot.

There are no items included under **TAB E**.

10:30– 10:45 Council Open Discussion

- Mayor Pro-Tem and Committee Assignments – Review January 14 / Appoint January 28

The remainder of this time slot allows for Council discussion of items not on the agenda.