

CITYBEAT

INSIDE:

NOTED The lodging tax and tourism promotion
THE QUESTION What makes your festival stand out?
CALENDAR Spring festivals and wellness forums

Shiny Bubbles

Soap Lake goes retro to clean up on tourism.

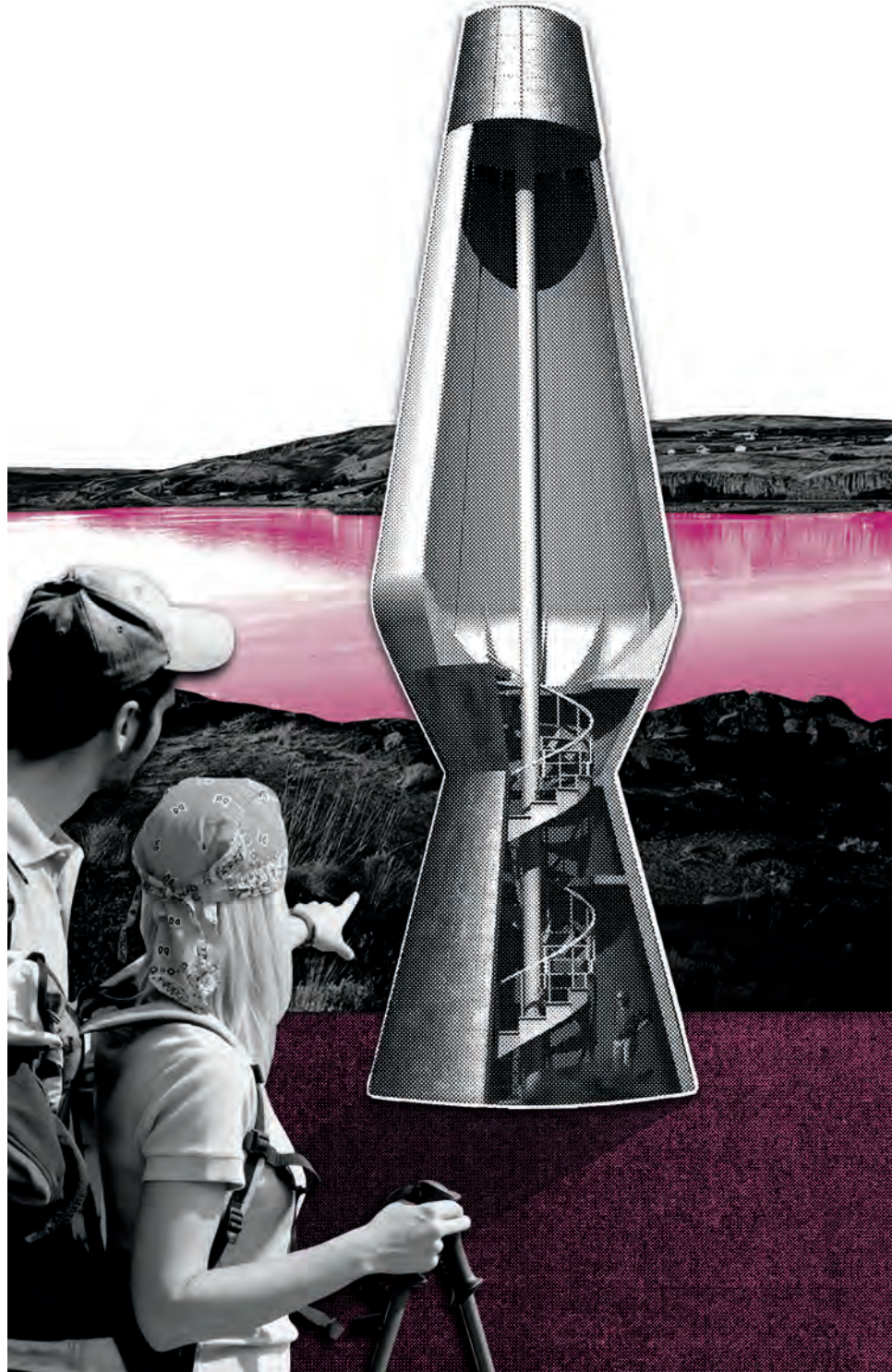
W

WHEN RAYMOND GRAVELLE was sworn in as the mayor of Soap Lake in January, he knew he was taking on an awfully big to-do list. Item 1: construction of the world's largest lava lamp.

But if anyone in this Central Washington community of 1,500 can pull off such a feat, it is Raymond Gravelle. As project manager for the Soap Lake Garden Club in 2009, Gravelle presided over the construction of the world's largest human figure sundial, which anchors the city's East Beach Park and took 13 years and \$250,000 to build. As mayor, Gravelle hopes that a six-story-tall lava lamp towering over the city's West Beach will help Soap Lake revive its early-20th-century heyday, when the mineral-rich waters of its sudsy inland sea attracted the rich and famous.

"The lava lamp has tremendous potential to put Soap Lake back on the map," asserts Gravelle, who owns a small real-estate agency just around the corner from the proposed construction site. "This will be one of the biggest things to hit Central Washington since you-name-it."

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SLICE OF LIFE

Taking the Plunge

Conconully finds winter relief with its annual Outhouse Races.

IN THE DEAD OF WINTER in Conconully, a town of 186 tucked between two popular fishing lakes in the Cascade foothills of North Central Washington, the mercury rarely tops 30 degrees. Typically, the town's Main Street lies buried under three or more feet of snow, left unplowed in deference to the local tradition of commuting via dog-sled or snowmobile. And on the third Saturday in January, that street is flush with snow-borne vehicles of a different sort: transportable outhouses.

Nobody remembers who first strapped skis onto a loo nearly three decades ago—or, understandably, why—but whatever the event's genesis, the Conconully Outhouse Races have evolved into more than a quirky annual spectacle. Coupled with a companion event, the Super Mush (sled-dog races

held on the last weekend in January), the outhouse has become Conconully's off-season economic powerhouse.

‘The main thing is you have to have patience.’

“This was before snowmobiling became big, and we don’t have a ski hill, so it was a calculated decision to get people out here,” says Chamber spokesperson Marilyn Church of the race’s origins. “The outhouse races and sled-dog races basically bring in over half of our income for the winter months.”

Despite the fact that a mild winter this year meant trucking in white stuff from higher elevations, the 29th Conconully Outhouse Races attracted 1,100 spectators and 225 competitors. The entries included the Okanogan Sheriff’s Office with “Crap! It’s the Cops,” an elaborately decorated contraption. Weighed down by batteries that powered a working patrol-car light bar and siren, “Crap!” brought up the rear in the race proper, but it nevertheless won the coveted People’s Choice Award.

Amid this inspired silliness, Church still offers sage advice to other communities that might be casting about for a shoulder-season crowd pleaser.

“For tourism purposes, you need to give any new event at least five years,” she stresses. “You can refine it and watch it grow, but if after five years it’s still a dog, get rid of it. The main thing is you have to have patience.”

And know when to pull the plug. Or rather, the handle. **C**



Gold Gloves

Spokane finds a prize in sports events.

WHEN THE INAUGURAL U.S. Olympic Team Trials for Women's Boxing hit Spokane, the event packed the 945-seat Pend Oreille Pavilion and filled suites at the Northern Quest Resort & Casino for an entire week in February, typically one of the slowest months of the year. But for the City of Spokane, having closed an \$8 million gap in its 2012 general fund budget, those days in the limelight proved the city is still a contender.

"It got exposure for Spokane that far exceeded our expectations," says Jodi Kayler, VP of marketing and communications at the nonprofit Spokane Regional Sports Commission.

All that high-profile buzz makes it easier for the commission to lure more sporting events to town. The 37 events planned for 2012 are projected to inject \$20 million into Spokane's economy, part of \$161 million in regional economic activity generated over the past decade.

"We're here to generate positive economic impact for the region," explains Kayler of the commission, which is funded by hotel/motel tax receipts. "Those tax dollars help build roads and pay for schools."

Does landing the first-ever Olympic trials for women's boxing mean that Spokane harbors Olympic-size aspirations, à la London?

"We don't have the hotels or the venue for that," Kayler laughs.

Not yet, anyway. **C**

The Question

What makes your festival the best in the state?



CRAIG GEORGE
Mayor, Dayton

Last year was our first for Mule Mania, a family-oriented, free event the community really enjoyed. It included a parade, a golf tournament, and a chuck-wagon cook-off. People brought in mules from Texas, Missouri, California, and Montana, and really felt welcome in our small town.



MARY MCCLUSKEY
Parks & Recreation Director, Poulso

The Viking Fest is a celebration of everything Norwegian, and everyone works together to make sure Poulso looks top-notch. The nonprofit that puts on the event brings in cultural performances and family activities, puts on a parade, and serves up lutefisk for all to enjoy.



GLEN COOK
Mayor, Winlock

Winlock first celebrated the prosperity of a thriving poultry industry 75 years ago with Egg Day. Although the chickens are gone, Egg Day still boasts festivities, a parade, free egg sandwiches, the world's largest fiberglass-and-steel egg, and five large cast-iron roosters around town.



STEVE TAYLOR
City Administrator, Connell

Our Fall Festival offers a host of special experiences: a junior livestock show, world-class bronze and steel sculptures, a Dirty Truck competition, an outstanding parade float, dancing horses—and this year, a chance to meet the State Football Champion Connell Eagles.

On the Go

Despite the recent recession, Washington travel trends remain up over the last decade, according to preliminary 2011 estimates:

\$16.4B

Visitor spending
(up 5%)

\$324M

Local tax receipts
from travel spending
(up 6.1%)

\$639M

State tax receipts
from travel spending
(up 3.7%)

150,900

Number of travel-
generated jobs
(up 2.1%)

Source: Dean Runyan Associates, Washington State Travel Impacts & Visitor Volume, 2001-11

RCW 67.28.1816

The Lodging Tax and Tourism Promotion

In 2007, SB 5647 expanded how local governments may use lodging tax revenues. The resulting provisions, laid out below, expire June 30, 2013.

(1) Lodging tax revenues under this chapter may be used, directly by local jurisdictions or indirectly through a convention and visitors bureau or destination marketing organization, for the marketing and operations of special events and festivals and to support the operations and capital expenditures of tourism-related facilities owned by nonprofit organizations described under section 501(c)(3) and section 501(c)(6) of the internal revenue code of 1986, as amended.

(2) Local jurisdictions that use the lodging tax revenues under this section must submit an annual economic impact report to the Department of Commerce for expenditures made beginning January 1, 2008. These reports must include the expenditures by the local jurisdiction for tourism promotion purposes and what is used by a nonprofit organization exempt from taxation under 26 U.S.C. Sec. 501(c)(3) or 501(c)(6). This economic impact report, at a minimum, must include: (a) The total revenue received under this chapter for each year; (b) the list of festivals, special events, or nonprofit 501(c)(3) or 501(c)(6) organizations that received funds under this chapter; (c) the list of festivals, special events, or tourism facilities sponsored or owned by the local jurisdiction that received funds under this chapter; (d) the amount of revenue expended on each festival, special event, or tourism-related facility owned or sponsored by a nonprofit 501(c)(3) or 501(c)(6) organization or local jurisdiction; (e) the estimated number of tourists, persons traveling over fifty miles to the destination, persons remaining at the destination overnight, and lodging stays generated per festival, special event, or tourism-related facility owned or sponsored by a nonprofit 501(c)(3) or 501(c)(6) organization or local jurisdiction; and (f) any other measurements the local government finds that demonstrate the impact of the increased tourism attributable to the festival, special event, or tourism-related facility owned or sponsored by a nonprofit 501(c)(3) or 501(c)(6) organization or local jurisdiction.

(3) The joint legislative audit and review committee must report to the legislature and the governor on the use and economic impact of lodging tax revenues by local jurisdictions since January 1, 2008, to support festivals, special events, and tourism-related facilities owned or sponsored by a nonprofit organization under section 501(c)(3) or 501(c)(6) of the internal revenue code of 1986, as amended, or a local jurisdiction, and the economic impact generated by these festivals, events, and facilities. This report shall be due September 1, 2012.

(4) Reporting under this section must begin with calendar year 2008.

(5) This section expires June 30, 2013.

The use was expanded in 2007 to settle prior disputes over uses for events and facilities in which the local government didn't have an ownership interest.

RCW 67.28.1817 requires cities over 5000 to have a lodging tax advisory committee to review and provide comments on proposed uses.

Sales taxes on lodging levied two ways: up to 2 percent taken as a credit against the state sales tax and an additional up to 2 percent on lodging. In 2010, local lodging taxes generated \$65.4M.

Local governments may use lodging tax revenues for tourism promotion and tourism-related facilities.

Due date is May 1.

The JLARC report expressed concerns about the data's reliability and limited reporting.

SB 6446, introduced this session to remove the sunset provision, failed to pass. AWC will work on the issue next session.

Using submitted data, JLARC estimated that 89% of lodging tax revenues were spent on newly authorized purposes.



For more information:
www.awcnet.org

CALENDAR MARCH/APRIL

TRAINING ESSENTIALS

WELLNESS NETWORKING FORUMS

- MARCH 21 LACEY**
- MARCH 27 CAMAS**
- MARCH 29 FIFE**
- APRIL 18 BELLINGHAM**
- APRIL 19 PORT TOWNSEND**

Forums offer you the latest in workplace health promotion training, updates to the 2013 WellCity Award standards and premium discount, and opportunities to meet and share ideas with other wellness teams in your area. For Trust members only.

MAYOR AS CEO

APRIL 25 YAKIMA

Approximately 80 percent of Washington's mayors serve as their city's chief executive officer. Strong mayors carry out their council's policy, from dealing with personnel and contracts to balancing the budget. Whether or not a professional administrator assists in the daily operations, the challenges and complexity of serving as the city's primary decision-maker are significant.

LABOR RELATIONS INSTITUTE

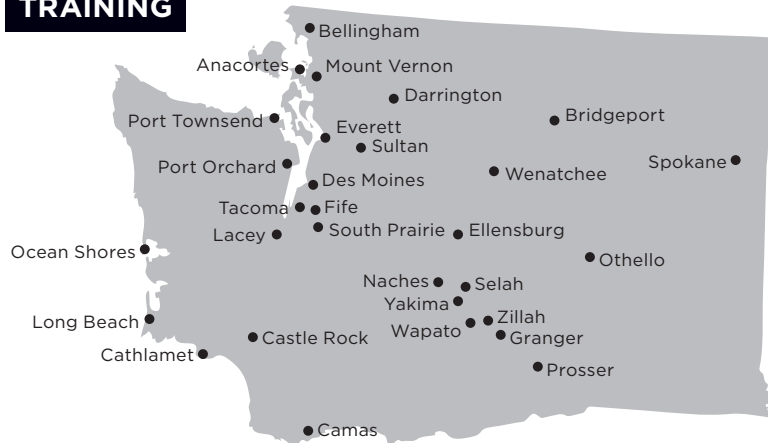
APRIL 25-27 YAKIMA

AWC's annual Labor Relations Institute offers timely and relevant training on human resources and labor relations topics tailored specifically to the needs of public-sector employees in Washington.



For more information:
www.awcnet.org

TRAINING



MARCH

				01	02	03
04	05	06	07	08	09	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

- 6, 22 Hosting Health Screenings** Webinar
- 7 RMSA How to Avoid Employment Law Risks** Granger
- 8, 20, 26 RMSA Elected Officials Roles & Responsibilities** Bridgeport, South Prairie, Darrington
- 12 RMSA Police Liability** Port Orchard
- 15 Keep Go>ing!** Webinar
- 15 RMSA Eliminating Workplace Harassment & Bullying** Castle Rock
- 21 A New Beginning for the Public Works Trust Fund** Webinar
- 29 Economic Gardening** Webinar
- 29 RMSA Being an Effective Board or Commission Member** Wenatchee

APRIL

01	02	03	04	05	06	07
08	09	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

- 2 Small City Regional Connector** Sultan
- 10 A New Beginning for the Public Works Trust Fund** Webinar
- 11 RMSA Do's & Don'ts of Land Use Decision Making** Wapato
- 11-13 Community Survivors 6** Everett
- 25-27 Labor Relations Institute** Yakima
- 25 Mayor as CEO** Yakima
- 25 Retro Safety Academy** Yakima

FESTIVALS

MARCH

- 2-4 Poverty Bay Wine Festival** Des Moines www.dmrotary.org
- 3-4 White Pass Winter Carnival** Naches; www.visityakima.com
- 9 All You Can Eat Crab Feed** Selah www.visityakima.com
- 10 Crab & Oyster Feed** Cathlamet www.wahkiakumchamber.com

- 17 St. Patrick's Day Parade** Spokane www.friendlysonsofstpatrick.com
- 23-25 Othello Sandhill Crane Festival** www.othellosandhillcranefestival.org
- 24 Razor Clam Festival** Ocean Shores www.oceanshores.org
- 31 12th Annual Yakima River Canyon Marathon** Ellensburg, Selah; www.visityakima.com

APRIL

- 1-30 Skagit Valley Tulip Festival** Mount Vernon; www.tulipfestival.org
- 7 Prosser's Annual Easter Egg Hunt** www.prosserchamber.org
- 14 Anacortes Spring Wine Festival** www.anacortes.org
- 14 Arbor Festival Go Green** Yakima www.visityakima.com
- 14 Daffodil Festival** Tacoma, Puyallup, Summer, Orting; www.daffodilfestival.net
- 14 Gray Skies Blues Festival** Tacoma www.tacomaevents.com
- 26-May 6 Apple Blossom Festival** Wenatchee; www.appleblossom.org
- 27-29 Spring Barrel Tasting Rattlesnake Hills Style** Yakima Valley; www.wineyakimavalley.org
- 28 Zillah Spring Fling Event** www.visityakima.com



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Koegeen Edwards LLP is a boutique municipal law firm providing counsel in all aspects of financing for governmental entities and issues of general municipal law.

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washington tourism alliance

2nd Annual Summit

The Washington Tourism Alliance will host its second statewide Tourism Summit in Seattle on April 5th to present its accomplishments and to engage the tourism industry in its future direction.

THURSDAY, APRIL 5, 2012

At the Hilton Seattle Airport & Conference Center, Emerald Room

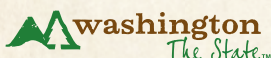
Hilton Seattle Airport
17620 International Blvd
Seattle, WA 98188

FEES PRIOR TO MARCH 29
(INCLUDES BREAKFAST AND LUNCH)

\$75 WTA members
\$100 non-members

FOR MORE INFORMATION OR REGISTRATION:
www.watourismalliance.com

FOR QUESTIONS:
info@watourismalliance.com



Shiny Bubbles continued from page 5

On an average day, 5,500 cars travel State Route 17, the area's primary north-south highway. Witnessing the plethora of dark storefronts on Main Street, most motorists drive on. The challenge for Soap Lake is to offer tourists a reason to stop and spend some time—and money. Enter the world's largest lava lamp, a concept first floated by a local artist in 2002 and revived when Andrew Kovach and his wife bought a vacation home here just before the onset of the recession.

"It was intriguing because the whole community seemed to be working toward a common goal," explains Kovach, an architect with a family practice based in Everett who donated his services to the lava lamp project. "Even after so many years, people still came from all over the world to Soap Lake and asked, 'Where's the lamp?' We figured if this concept hadn't died after so long, there must be something to it."

So Kovach drafted an elegant blueprint that put a few modern twists on the Summer of Love icon: instead of a glass tank filled with superheated water, Kovach's lamp would use a translucent high-tech fabric over a wire armature and twin solar-powered digital projectors to simulate bubbling globs of wax—or fireworks, or a twinkling Christmas tree. He traveled to Lava Lite world headquarters in Indianapolis and shared his plans with CEO Dale Zalusky, who agreed to permit Soap Lake to use the Lava Lite name and trademarked lamp design. Ideally, the finished lamp will not only celebrate and enrich Soap Lake, but also draw attention to the area's volcanic origins—Soap Lake sits on one of the largest lava beds in North America—and raise the profile of nearby attractions such as the Ice Age Floods Institute in Richland and the Coulee Corridor Scenic Byway.

As Kovach finalizes the design details, the city's Lava Lamp committee has been busy filling out grant applications and searching for corporate sponsors, with the goal of lighting Soap Lake's tourist beacon by 2013, the Lava Lite's 50th Anniversary. What many perceive as a giant leap for Soap Lake will be, for Gravelle, only a first step.

"There's a million cars that go by on 17, but three-quarters of that happens during the summer," he says. "I have some ideas of how to expand tourism from just the peak summer months..." World's largest Roman bath, anyone? —Ted Katauskas



For more information:
www.soaplakecity.org