

BELLEVUE-REDMOND TOURISM PROMOTION AREA ADVISORY BOARD
MEETING MINUTES

April 25, 2024
10:00 a.m.

Bellevue City Hall
Room 1E-113 / Virtual

MEMBERS PRESENT: Chairperson Dermarkarian, Wade Hashimoto,
Rocky Rosenbach

MEMBERS REMOTE: Melody Lanthorn, Kim Saunderson

MEMBERS ABSENT: David Nadelman, Cassandra Leiberman, Rashed
Kanaan,

STAFF PRESENT: Manette Stamm, Lorie Hoffman, Lizzette Flores,
Department of Community Development

OTHERS PRESENT: Brad Jones, Meredith Langridge, Jane Kantor,
Sheila Freeman, Visit Bellevue; Kristina Hudson,
Audrey Fan, OneRedmond

MINUTES SECRETARY: Gerry Lindsay

I. CALL TO ORDER

The meeting was called to order at 10:03 a.m. by Caroline Dermarkarian who presided.

2. APPROVAL OF AGENDA AND MINUTES

A. Approval of Agenda

Motion to approve the agenda was made by Wade Hashimoto. The motion was seconded was by Rocky Rosenbach and the motion carried unanimously.

B. Approval of Minutes

Motion to approve the January 30, 2024, minutes as submitted was made by Wade Hashimoto. The motion was seconded was by Rocky Rosenbach and the motion carried unanimously.

3. ORAL COMMUNICATIONS – None

4. ACTION, DISCUSSION AND INFORMATION ITEMS

A. Bylaws

Cultural Tourism Specialist Lizzette Flores reminded the Board members that the proposed bylaws had been presented at the January 30 for review and comment. Once the bylaws are approved, the Board will be in compliance with the Bellevue city code BCC 3.100.050. The recommendation of the staff was to approve the bylaws as proposed.

A motion to approve the bylaws was made by Wade Hashimoto. The motion was seconded by Rocky Rosenbach and the motion carried unanimously.

B. Staff Update – Finance, Yearly Update, Special Meeting

Lizzette Flores noted that according to the bylaws, Board meetings are held on the fourth Thursday of every January, April, July and October. The Board is charged with reviewing the budgets and workplans for the following fiscal year that will be presented annually at the April meeting; a special meeting will be called for May for the Board to approve them and forward them to the Council. The Board will also receive each January a report to the city of Redmond; once approved it will be forwarded to the city of Redmond.

With regard to legislative changes to the collection exemptions, Lizzette Flores reminded the Board that in January it reviewed a state bill regarding TPA boards across the state. The bill as drafted allowed the legislative authority to make any changes deemed to be needed. The legislature passed the bill and now city staff will work with the Department of Revenue to execute a new contract that removes the provisional language included in the first contract.

Turning to the revenue report, Lizzette Flores shared that the Bellevue TPA has received a little over \$1.4 million, and Redmond has received close to \$430,000. Interest has been received by each account and added back to the respective accounts for each zone. The administrative costs equally about five percent have been kept back in accordance with the legislative authority. For the first quarter of 2024, some \$723,000 was received for both zones, with Bellevue collecting \$570,000 and Redmond collecting \$153,000.

Lizzette Flores noted the Board received a public records request and complied accordingly.

C. 2025 Budget/Scope of Work Presentation – Bellevue Zone

Brad Jones, executive director of Visit Bellevue, submitted to the Board a draft of 2025 scope of work, the general theme and scope of which is continued growth. The gap with the pre-pandemic levels and where the city should be is continuing to close, but there is still some projected growth in subsegments, including international travel, group meetings and business travel. The projection is that the pre-pandemic levels will be reached during the year. In 2025 the focus will be on building the incremental business growth.

Visit Bellevue tends to be very data and trends driven. Trends tend to change quickly in the market so the overview of the scope of work is somewhat general, allowing for the ability to tactically change in the sales and marketing departments as needed and as the market dictates.

Brad Jones said Visit Bellevue is Bellevue's official destination management organization and it is a division of the Bellevue Convention Center Authority (BCCA), which is a public development authority. The BCCA gets a hundred percent of the lodging tax that is collected and Visit Bellevue gets a portion of it, which in 2025 the maximized share will be \$2.5 million. In subsequent years the organization will get the amount the lodging tax goes up in percentage.

The Visit Bellevue organization is one of three operating divisions under the BCCA, and comes to the BRTPA for TPA governance and oversight. The organization is fully funded from a staffing perspective. In 2025 the organization is slated to only add one additional FTE, a visitor experience manager.

With regard to the strategic plan and vision, Brad Jones allowed that Visit Bellevue is guided by a strategic plan called the Bellevue Destination Development Plan. It includes the 18 current priorities, all of which are embedded in the strategic plan with the intent of keeping the arms and legs of Visit Bellevue connected to one strategic plan. An update to the plan is actively being worked on; it should be completed by September.

Visit Bellevue wants to be part of the community in innovative ways. The organization does not want to just do what it has always done or even what everyone is doing. The team looks for and acts on new ideas.

In 2025 Visit Bellevue will revise its destination brand strategy. In addition, an RFP will be put out in 2024 for a marketing agency. Those actions lean into the organization's communications and storytelling as positions Bellevue as a destination city. The move to get involved in culinary tourism will be an important part of the brand. Shopping, restaurants and hotels will continue to be focused on, as will business travel and meetings. Future considerations and opportunities lean into the city's technology, virtual reality and e-gaming and e-sports arena. Culture, the arts, entertainment and nightlife will continue to be given focus. Transportation continues to be a key part of the strategy moving forward, with sustainability high on the list.

More will be heard in 2025 about Meydenbauer Center expansion programs and how the Visit Bellevue sales teams will align with that work. Festivals and events will continue to be important for building weekend tourism. The Grand Connection, Eastrail activation and expanding business relationships are other opportunities the organization has its eye on for 2025.

Jane Kantor, director of destination sales for Visit Bellevue, said an analysis of 2024 will occur in 2025 with an eye on the programs that could not have been implemented prior to having the TPA funding. Destination sales saw an expansion in the verticals looked at, including things like festivals and events and e-sports. Because of the additional programmatic funding, the organization has the ability to have shows and travel in support of each of the verticals. As the year progresses, the functionality of the shows will be looked at along with their returns on investment, and adjustments will be made accordingly for 2025.

Each of the third-party partnerships, Conference Direct, Helms Briscoe and Lamont, has its own particular focus. Lamont is a smaller up and coming firm, but the other two are very well known. Expanding the partnerships will be fruitful, but what they will look like and how they will manifest are not yet known. The expansion of the show schedule, the travel schedule and the partnerships are the big boulders in place.

Brad Jones said Jane Kantor does a great job of making sure the work of the departments is well connected to the work of the Board. Quarterly DOS meetings are held with all of the sales folks and that is where a lot of the ideation happens.

The great thing about the 2025 goals is that they do not change given that multi-year goals were set at the beginning. There are a couple of changes relating to communications goals, but everything else is the same.

Sheila Freeman, marketing and communications director for Visit Bellevue, said the department exists to bring awareness of and to market Bellevue as a destination. There are still a lot of people who do not know where Bellevue is; the city is often associated with Seattle. The job of the department is to differentiate Bellevue and to bring awareness of the city as a desirable destination to come visit. The work is done in many different ways, including social media, paid marketing, public relations, web presence, overseas marketing, and communications. For 2025, there will be a new marketing strategy put into play aimed at redefining and optimizing how Bellevue is positioned to prospective visitors by working with the tried and true agencies as well as new agencies.

Brad Jones said the organization strives for at least a 28:1 ROI on all spends. Currently it is well above that. It is poised to be over ten million social media impressions and over 475,000 website visits. The public relations media value has exceeded \$750,000 and is already over \$1.5 million. Paid media is always a wild card in terms of where the digital environment is headed. It is always being monitored with an eye on optimizing it tactically.

Sheila Freeman said domestic travel is booming, but international travel continues to creep along and stands at about 60 percent of the pre-pandemic levels. A strategic partnership has been formed with an amazing agency that specializes in overseas markets; the goal is to market to and welcome potential Japanese visitors in a culturally competent way. The work is very data driven and strategic.

Brad Jones said one tactic being tried involves a relationship with a company called Epsilon to market using first-party data. The data is highly trackable, making it possible to market to people who have shown intent to visit.

Wade Hashimoto asked if there is a specific yuru-chara or logo for every destination and if they play a big role in marketing. Brad Jones said from a marketing perspective in Japan, yuru-chara is a way to communicate brand loyalty and social media tactics. It is embedded in the Japanese culture. A handful of large tourism destinations have a urachara. Bellevue has one but Seattle does not.

Brad Jones said the list of programs brought online in 2023 as part of the visitor experience included the BellHop shuttle, the mobile concierge, the festivals and events incubator, and the mobile welcome center. Those programs are being carried forward in 2024 and will continue on into 2025.

Meredith Langridge said the TPA has helped to inform the visitor experience element. The ideas discussed with the hotels include building tourist events and festivals, and bringing culinary initiatives to town. Also discussed have been land tours, water tours, and walking city tours. Things are at the building stage but people are interested and they want to grow in partnership. The festivals and events incubators are huge and are focused on drawing more events to Bellevue.

Brad Jones said the visitor experience team is doing yeoman's work. There will be some new programs emerging in 2025. Bellevue has always struggled to have tourism programs that build weekend occupancy while also serving a blended leisure and business travel. There are some pilot programs in place, including a Lake Washington tour, and a waterfall and wine tasting tour. Work is under way to develop some food walking tours to happen on a daily basis; such tours are wildly popular in other destinations, and Bellevue has a great culinary scene.

Tourism development is always difficult to measure. When new programs are incubated, specific KPIs are developed around them. Every festival and event partnered with has to have a minimum room block and venue contract. That is how it is ensured that the events are creating overnight room visitation for the market.

Brad Jones said TPA dollars fund the relationship with Zartico, which provides geolocation data. Through a combination of TOT and TPA the organization garners VISA insights that indicate where spending is happening and where the visitors are from, both domestically and internationally.

Visit Bellevue operates on a traditional calendar year and quarterly updates are provided by all subcommittees. The budget assumptions for 2025 are based on the last couple of years trend. The biggest movement is in quarter one. In quarters two, three and four a lodging tax study is conducted to forecast future projections of occupancy and the lodging tax. The spending side is based on the hotel percentages for each of the functional areas.

D. 2025 Budget/Scope of Work Presentation – Redmond Zone

Kristina Hudson, CEO of OneRedmond, reported that the organization is still building the footings for the foundation of its program.

Audrey Fan, program lead for OneRedmond, reminded the Board that OneRedmond does not have an official destination management organization. It is focused on data and trends. The budget cycle for 2025 is different from the typical, with 2024 starting at the beginning stages. OneRedmond is also at the beginning stages of finalizing a strategic tourism plan with the city of Redmond. Once confirmed and adopted, the findings will be incorporated into the overall plan. Because all of the stakeholders within the TPA Redmond and OneRedmond have been actively involved in the workshops and meetings for the strategic plan, there is every intent of incorporating those finalized approved items into the initiative and strategic goals and made ready for implementation.

With regard to staffing, Audrey Fan said the team is small but mighty. The organization partners with the city of Redmond and Experience Redmond, the city's marketing arm for tourism. The organization's priorities for 2025 funding includes procuring tourism Crossroads Mall platform and data collection tools; continuing to organize the master plan with short-term, medium-term and long-term strategies; looking into the implementation of a shuttle program; the creation of a strategic position to capitalize on FIFA 2026 to be hosted by Seattle; implementation of a destination sales program complete with targeted travel; the general promotion of tourism and group business; advertising, marketing and public relations and communication programs designed to attract overnight visitors; and developing tourism programs, corporate visitation, meetings, conventions, festivals and event to promote overnight stays.

The budget outline for the first quarter of 2025 includes continued master planning and development and adding in data relative to event impact and geolocation. For destination development, the focus will be on special events shuttle transportation; concierge program development; and program research and development. For destination sales, the focus will be on sales and prospecting for appropriate group business; participation in targeted meetings and trade shows; professional

memberships; ad hoc citywide site inspections; and implementing a CRM platform and lead generation and sales tools.

For the second quarter of 2025, master planning development will continue, along with planning for a special event shuttle, the concierge program, program research and development. For destination sales, the focus will be the same as for the first quarter. The third quarter work will mirror the second quarter, and the fourth quarter will be the same with the exception of adding a customer focus group.

The 2025 budget is predicated on the 2024 submissions. A total of net revenue of \$828,417 is projected. The budget includes a TPA remittance draw of \$136,212 from the reserve funding from 2024 to fully implement the event shuttle program. The projected expenses include marketing and communication; administration and research data covering staffing, consultants and any contract expenses, the geolocating data collection tools, and event impact calculations; destination development, which includes the master planning and aligns, organizes, and prioritizes tourism efforts, including the creation of strategies to position and capitalize on FIFA 2026, the special event shuttle and concierge program; destination sales, which includes tracking marketing efforts to actualize booked rooms, professional memberships relating to sales opportunities, and CRM regeneration and sales tool platforms; and a contingency of ten percent, for a total of \$964,630.

5. COMMISSION QUICK BUSINESS

A. Time and Date for Next Meeting

Lizzette Flores said at the next meeting the staff will put together the information for presentation to the Bellevue City Council. That will require scheduling a special meeting in order to have the information ahead of the July Council meeting.

There was agreement to poll all the Board members offline and publish the date of the special meeting once it is determined.

6. REPORTS

A. OneRedmond Quarterly Update

Audrey Fan said Redmond's stakeholders are ten hotels with a total of just under 1600 total room nights. Occupancy data for the first quarter of 2024 was shared; the data included the total rooms, occupancies and the rooms sold. With regard to events, recruitment and strategy in the first quarter, the highlights were ongoing efforts to development a partnership with Woodinville Wine Country, and with the Seattle Theater Group for its 2024 concert series. Additional strategies being worked on include research on a CRM and lead generation platform; looking into shuttle transportation to area attractions; a concierge program for Redmond to support the hotels; and building on researching venues and facilities in Redmond that could assist in generating overnight accommodations.

The members who have joined in the first quarter include the State of Washington Tourism, Seattle Sports Commission, Washington Festivals and Events Association, the Washington State Chapter of Meeting Professionals International, and the Puget Sound Business Travelers Association.

With regard to tourism networking, Audrey Fan highlighted having participated in an international inbound travelers workshop that was hosted by the State of Washington Tourism and conducted by the International Inbound Travel Association. Work is underway on some international inbound traveler packages. Also in the networking category, Redmond is participating in the *Puget Sound Business Journal*, Port of Seattle Business and Travel, and the Visit Seattle annual meeting.

The list of strategic marketing initiatives includes research and cost analysis of each of the initiatives being presented to each stakeholder. The selection of the initiatives will be based on the alignment of the tourism strategic plan, which should be finalized and approved in the second or third quarter. The group is engaging with industry membership events; is continuing to build out a venue and facilities list of sites in Redmond; is working to develop relationships and identify partnerships that drive overnight hotel accommodations.

The master planning efforts include the creation and establishment of a new tourism line of business. The work includes the adoption of a charter setting up the ongoing operation, communication and action items relating to Redmond stakeholders, a Redmond tourism strategic plan, developing a meeting planner focus group, networking with industry memberships, and initiative active lead generation for the hotel partners.

B. Visit Bellevue Quarterly Update

Brad Jones said there are five strategic pillars under the TPA, each with their goals and programs. It was noted that in March there were almost 170,000 visitors, and the January visits were above the 2019 levels. In all, the first quarter saw about 470,000 overnight visitors. Citywide hotel occupancy is lowest in January, but the first quarter level was within two percent of 2019 at 55 percent; February's 62 percent was on par with pre-pandemic levels; and March saw 66 percent in the first quarter. Hotel occupancy on the weekends, which is a strategic priority, surpassed the 2019 levels in both February and March. The first quarter average citywide weekend occupancy came in at 54 percent.

The economic impact is what it is really all about. The combination of spending and a multiplier was over \$100 million for each month for a total of \$366.1 million in the first quarter. If the trends continue, Visit Bellevue will be in a really good place by the end of the year.

With regard to the Bellevue destination development plan, Brad Jones shared that during the first quarter the consultants conducted one-on-one interviews with 28 stakeholders. There has been good input from the stakeholder base. Over the summer months they will be developing specific recommendations based on each of the trends, and will conduct a prioritization exercise.

Jane Kantor shared with the Board the leads generated in the first quarter of the year and noted being ahead in that category. The room nights booked quarterly goal was not met, largely for timing reasons, but things are on track to meet the annual goals. A detailed report on room nights lost will be presented to the Board at a future meeting, broken down by day of the week. There are three full-time sales persons working to generate leads. The conversion ratio is 20 percent for the quarter but it fluctuates quite a bit; it is slightly behind quarter one in 2023, but it is tracking to meet the annual goal.

There have been great opportunities to be out and about. The team attended PCMA in San Diego, and completed the first sales mission to Denver. The team is finding while out and about that Bellevue is becoming more and more familiar as a standalone. The team also attended Conference Direct which was in Texas, and they will be going to Las Vegas in the second quarter.

Sheila Freeman reported on marketing and communication progress for the first quarter. With regard to paid media, the always on campaign ran while the creative concepting was being ramped for an update on the paid media creative. Impressive results were seen for just using a tenth of the budget. All is on track to meet the projected 2,000,650 impressions and an impressive 85,000 clicks at a cost of 16 cents per click, and a 3.21 clickthrough rate. With regard to organic non-paid social media, all is on track with an impressive 2.3 million impressions and 110,000 engagements, and 65,000 clicks, an audience of 25,000, and 1300 messages. Web traffic is doing great, and sessions are also performing well.

With regard to public relations, strong relations were forged at the LA media event with prominent travel writers to build a pipeline for visits and fans to have media placement. To date there have been 16 placements, 178 million engagements, and \$1.6 million in media value. With respect to communications, the annual goal has almost been reached. Some of the KPIs appear to be a little out of alignment with the formulas used to calculate them, thus a review is warranted. Great progress has been made and there is nothing to be concerned about. Engagements are a third of way to the annual goal; the open rate annual goal has been reached, and the clickthrough rate at 8.24 has reached the goal. The areas of pause include new subscriptions, for which campaigns are under way to boost them; and website referrals, which is always difficult to obtain.

Brad Jones explained that subscriptions are difficult in the travel and tourism destination business. The tendency is for people to add a subscription, only to drop it after visiting. There are currently more than 25,000 subscriptions and an effort is being put into determining what the turn rate equates to.

Sheila Freeman reported in regard to the overseas marketing campaign that the Japanese micro site is up and running. Paid media for overseas marketing is also running. A Japanese Instagram has been established, and Belle the Bobcat is designed and ready. There is also coordination with the culinary tourism program, and to that end Chef Shota has been selected as a culinary ambassador to help promote the program, including through PR events in Japan and by hosting a foodie influencer tour.

Going forward, the second quarter media campaign is about to be launched. The overseas marketing is continuing, and the communications manager will be going to IPW along with the destination sales team to help connect with international travel writers. The spring summer visitor guide has been printed and delivered to all partners. It will be inserted in Houston Magazine and Denver. New content is constantly being created.

Brad Jones said culinary tourism is about storytelling, marketing and communications. A marque culinary event will come about in the fourth quarter.

Meredith Langridge said there is still a month in which to find the rest of the funding for the BellHop program. There is a great deal of interest in the program from the public and from the partners. To date a little over 56,000 have been served. All

sustainability efforts are right on goal. While the wait times are somewhat all over the place, the issues are being addressed. Use of the service wanes in the mornings and evenings, but builds during meal times and when people need to get to meetings and when visitors want to get to attractions.

The kiosk program was started near the end of 2023 and it is doing very well. It is sited at the Hyatt, Hilton and Marriot hotels, and hopefully by next month it will be in three new hotels. The kiosks are getting used, and what people are looking at is being tracked.

Work is under way with a production company on the culinary tourism program. The focus is on putting together a proposal of some type of food or beverage experience in Bellevue. The desire is to pull off something big but the work is focusing on what is realistic.

The hotel partners have been clear about the need to have more Bellevue tours. The team is looking into all possibilities, particularly utilizing the lake and getting people out onto it. The wine and waterfall tour will be kicked off soon, and it will come with transportation. Serious discussions are also under way about a walking tour. Each tour is expected to be popular but they will need some time to grow.

The bike hop program is aimed at pushing Bellevue as a destination. While it is not top of mind for all the hotels, it is an important element of what is being done in Bellevue at the hotels. The program is a complimentary e-bike program system in partnership with REI.

The mobile welcome center is doing very well. The representative does a lot of events and the team is constantly working to support the events. During 2024 there will be visits with about double the number of events.

Festivals and events continue to grow, and to really be successful BellHop has to happen. The team has been working on initiatives to bring Japanese visitors to Bellevue.

Brad Jones reported that revenues were about \$60,000 over in January and \$50,000 over in March. The needed contingencies are being built in line with the notion of conservative planning and budgeting. On the expenses side, spending is trailing where it was projected to be, but it will ramp up. With regard to research and data, visitor origins are shifting somewhat, with some new states emerging and other states remaining strong. The high-value markets, a combination of origin, spending and length of stay, continue to be Los Angeles, Maricopa County, Arizona, Cook County, Illinois, King County, Washington, Harris County, Texas, and San Diego.

The VISA spending data for domestic visitors for January and February showed the hotel and lodging segment leading the pack with a 26 percent increase. All other segments were fairly stagnant. Hotels were up 50 percent in terms of international spending for January and February; all other segments were also up. Dining was up 18 percent for international but down six percent for domestic.

China continues to be the top international visitor origin market leader with half the number of visitors but twice the spending of Canada. Canada will be interesting to watch for the rest of the year because of the dollar value. India, the United Kingdom, Taiwan, Korea and Japan are also major visitor origins.

Brad Jones explained that with Zardaco the city has been split up into six distinct regions. A slide was shared with the Board that showed overall visitorship and the visitor/resident ratio. It was noted that there was a very high visitor/resident ratio in the Downtown, but interestingly other districts are growing that category. All of the regional data can be broken down into points of interest. The number one destination is the Bellevue Collection in the downtown; second is Downtown Park. The Botanical Garden is a huge visitor destination, as is the Spring District. Development in Factoria will be growing that area as a destination.

Wade Hashimoto asked how the data is collected. Brad Jones said it is drawn from geolocation data. Anyone carrying a cellphone who actively uses apps is pinged. Zardaco gathers the information and anonymizes it.

7. ADJOURNMENT

Caroline Dermarkarian adjourned the meeting at 11:33 p.m.