

**TO: Tourism Advisory Committee**

**FROM: David Kleitsch, Economic Development Director**

**DATE: December 5, 2014**

**SUBJECT: Director's Report**

### **Smith Travel Report**

Snohomish County and Lynnwood continue to enjoy strong lodging metrics in 2014. For the month of October, Snohomish County lodging metrics were up across the board: 0.4% in occupancy; 5.8% in ADR; and 6.2% in RevPar. Overall demand for room was up 6.1%, as and revenue increase 12.3% compared to October 2013.

Year-to-date Snohomish County is up 4.4% in occupancy, 7.1% in ADR and 11.8% in RevPar. The County also ranks first compared to all other participating Washington State counties in demand (up 8.2%) and Revenue (up 15.9%).

### **Revenue**

October lodging tax revenues for the city of Lynnwood were again record breaking. Revenue distributions in October were \$97,811, a 21% increase over October 2013 and the largest distribution the City has ever received. YTD, revenues are up 9% over STLY at \$582,119. We are projected to finish the year with distributions at \$662,000. For the FY 2013-2014, revenue distributions are estimated to be \$148,000 ahead of budget. Increased revenues are attributed to strong lodging metrics, an improving economy with increased business travel, and the strength of the Seattle market.

### **Vancouver Sales Mission**

In November, Tourism Manager Monroe joined the Snohomish County Tourism Bureau, Seattle Premium Outlets, Angel of the Winds Casino and the Best Western Plus, Arlington on a sales mission to Vancouver BC. The group met with 24 tour operators to inform them about activities and lodging in Snohomish County. Overall, the operators felt business was good and that inbound travelers from Japan were increasing. It was interesting to learn that foreign travel is an increasingly important segment of the high school curriculum, indicating a potential increase in student and youth travelers from Japan. Several of the operators we met with now coordinate the US portion of their tours through US based offices in California.

### **Budget Process**

The City of Lynnwood budget process is proceeding as scheduled. City Council action on the tourism budget as recommended by the TAC/LTAC is anticipated on December 8, 2014. An update will be provided at the December TAC meeting.

**The next meeting of the TAC/LTAC is scheduled for February 12, 2015**