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LYNNWOOD PUBLIC FACILITIES DISTRICT DBA The District Annual Report for 2025 to Snohomish County Council Finance Committee

The Lynnwood Event Center (LEC) operated by The District celebrated its 20th anniversary in April 2025 with a free community celebration.

Attendance levels were near historic highs with 60,476 visitors attending 210 events; an increase of 4.6% from 2024. This increase resulted in over \$12 million of direct economic impact as determined by the industry's best practice calculations from Destination International, which calculates only direct impact from our events in the community. These attendance numbers included large growth in our free or low-cost community programming which we have invested in recent years to increase our public benefit and meet our goals for the property to become the heart of Lynnwood City Center. These include the Lynnwood Luau, Jingle Bell Breakfast, and year-round art shows. Due to this success, we have expanded our public offerings in 2026 to include a summer concert series and an Octoberfest to meet community expressed needs for more arts and culture offerings, as well as, drive tourism for overnight stays from a 50-mile radius or further.

The District's overall financial position was strong with an increase of \$1.16 million or 11.4% from 2024. While the LEC did end the year at a (\$397,954) loss, this was an improvement of \$184,000 from the previous year. The LEC struggled with event sales staff turnover early in the year, but operating losses were offset by decreasing expenses. Sales picked up again in fall with our strongest Q1 quarter in 2026 since 2017. Revenue from our commercial property tenants increased slightly by \$16,457.

Expansion of partnerships to better leverage both City and County tourism economic investments to sell our destination was a hallmark of 2025. We have created a very strong working relationship with Lynnwood hoteliers along with City of Lynnwood tourism driving hotel room nights through group sales.

The Oak View Group (OVG) was contracted by The District to be our operating manager in 2022. The District has negotiated an early termination of this five-year contract to better meet the needs of The District. This will result in The District taking over all operations of the LEC and increasing our staff from 11 to 65. The District will experience savings from reduced management fees and efficiencies from reducing overlapping staff roles. We have contracted locally with Columbia Hospitality to serve as external advisors to aid in this process.

In 2025, there was considerable progress in our Master Plan activities to expand the LEC and redevelop our 13 acres. We completed the two-year process of finalizing a City Council approved Development Agreement, securing all entitlements for 15 years.



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In addition, we received a \$1 million grant from the State capital budget to move us forward in Schematic Design. We also secured a \$15 million predevelopment loan from the Snohomish County Treasurer Community Investment Program, which was evaluated by the State Department of Commerce to be feasible with our cash flow.

In 2026, we look forward to completing Schematic Design which will give us the best information to move forward with final construction documents and securing bond financing.

Respectfully submitted,
Janet Pope
Executive Director