



Leavenworth Economic Profile

2021



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INTRODUCTION



About Leavenworth

Nestled in the magnificent Cascade Mountains, Leavenworth, “Washington’s Bavarian Village” offers travelers the charming essence of Bavarian Germany. The town with its old world architecturally designed buildings is home to an array of specialty shops and restaurants, a diverse number of outdoor recreation activities and an active year-round calendar of events including festivals, music and live theater. As Chelan county’s most popular four-season tourist destination, Leavenworth welcomes more than 2.5 million visitors annually from every corner of the world.

History

Leavenworth’s story is an inspiring one of a Washington town that reinvented itself. With the loss of its railway and timber industries in the 1920s, Leavenworth was a town in slow decline. In the early 1960s, it took the brave and determined decision to invest in tourism for its future. Inspired by the resemblance of the surrounding countryside to Germany’s Bavarian Forest and Bavarian Alps, with its mountain wilderness and rolling meadows, Leavenworth was remodeled as a Bavarian Alpine village. Since then, Leavenworth has relied on tourism as its primary economic driver. In 2019, lodging and retail taxes accounted for 30% of the city’s annual revenue bringing in a combined total of approximately \$4.29 million.

20%

Of the total workforce is from the accommodation and food service industry

27%

Of the Lodging Tax revenue is put in reserves for the City which helped during the Covid-19 pandemic

There are a total of
1,399

both on street and off street parking stalls in the village

2,000

Population of the City of Leavenworth

2.5 million

Annual visitors



1,238

Hotel rooms in Leavenworth



4,288

Total potential occupancy

\$2.4m

Amount of Hotel/Motel tax generated in 2019

Our Marketing Channels generated

2.65 million

engagements in 2020



1.12 million

Online Users Annually

The Leavenworth Chamber of Commerce

For over 60 years, the Leavenworth Chamber of Commerce has been working to create a special experience for visitors and locals alike. Today, the area has evolved into an internationally recognized four season destination. The Chamber of Commerce works to preserve what has made Leavenworth so successful, while ensuring its legacy continues into the future.

Our Mission

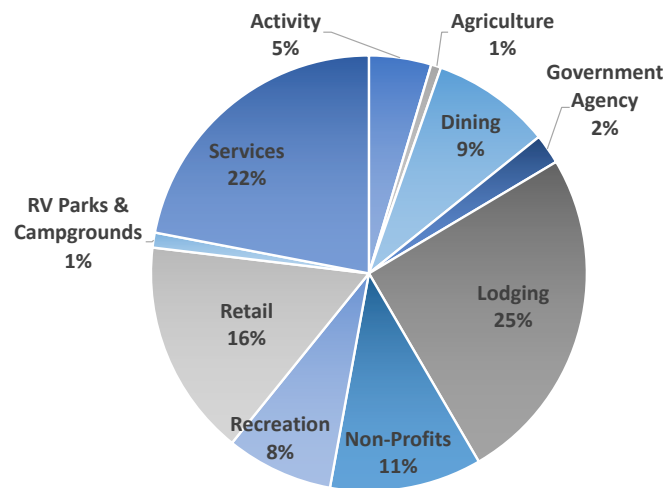
The mission of the Leavenworth Chamber is to promote commerce, tourism, the Bavarian Theme, economic development, diversification, and cooperation among the business community, governments and residents of the Chamber membership area.

The chamber is funded through membership, advertising sales and annual fundraising events. As the Destination Management Organization (DMO) for Leavenworth, the chamber also receives funding via a percentage of the hotel lodging tax from the city and the county. This funding allows the chamber to operate and staff a year-round visitor center, plan and execute events, and provide assistance with tourism infrastructure.

In 2020 the Chamber of Commerce helped fund or partially fund the following projects and initiatives.

- New Trail Signs at Ski Hill
- The N.U.T. Trail Extension
- A new 'Ski Area' sign at Leavenworth Ski Hill
- Porta-Potties at the Icicle and the Tumwater for the '20 & '21 seasons
- Sanitizer stations, face masks, signage and thermometers during the pandemic

Chamber Membership by Industry



The Leavenworth Chamber of Commerce is a 501 (c)6 non-profit Business Association and is governed by a fourteen member board of directors.

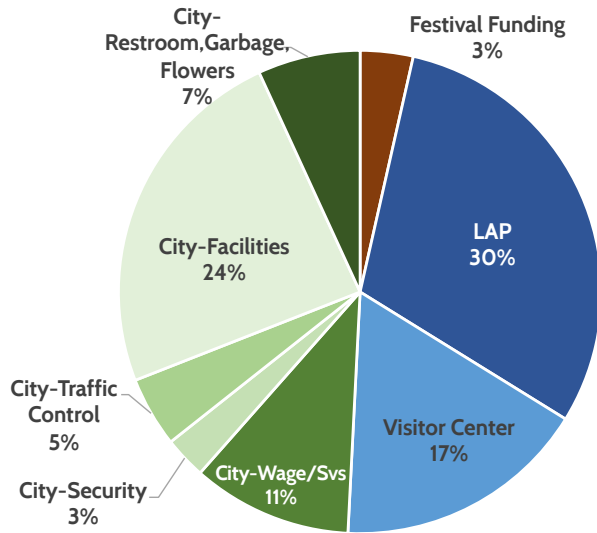
The directors are elected each January by a vote of the entire membership and guide the strategic direction of the chamber.

2021 Chamber Board of Directors

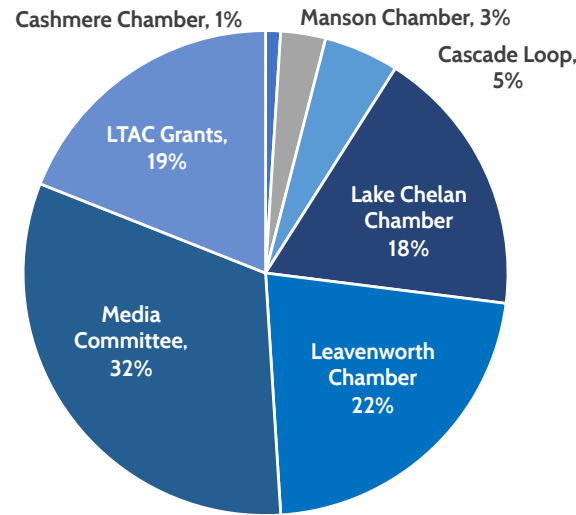
1. Jesse Boyd, President
2. Joel Martinez, Vice-President
3. Kayla Applebay, Secretary
4. Rebecca Ryker
5. Joe Cannata
6. Teri Miller
7. Stefanie Clift
8. Gavin Evans
9. Rusty Gibbs
10. Jesse Wilkinson
11. Erik Soren
12. Kevin Rieke
13. Chris John
14. Tracie Smith

Lodging Tax

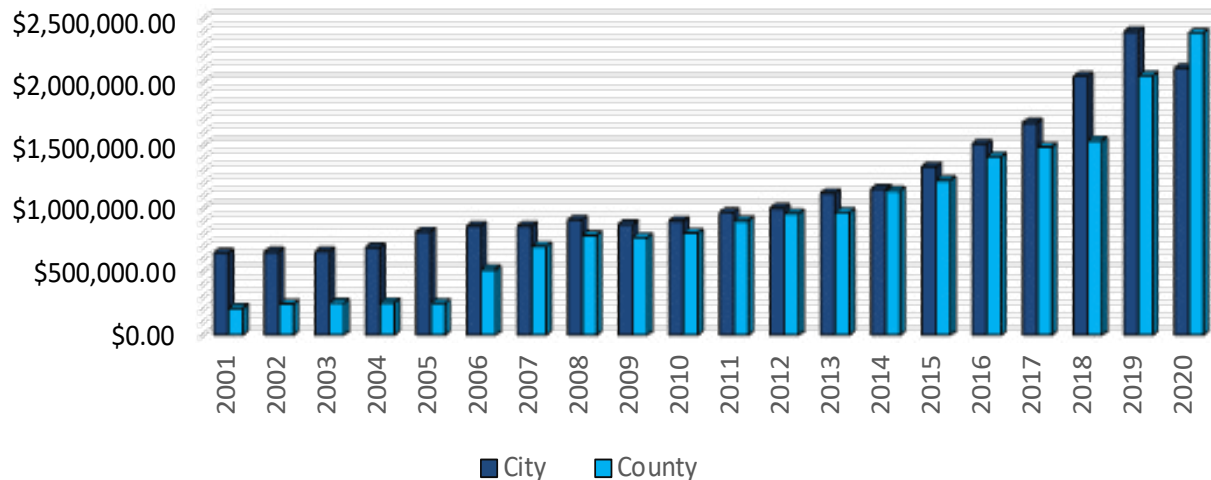
City Distribution (~\$2 million)



County Distribution (~\$2.1 million)



Lodging Tax Growth



Lodging Tax Requirements

The Chamber receives funding from the city and the county from lodging tax revenues paid for by patrons of city and county lodging facilities.

This funding is made possible by RCW 67.28.1816 which also requires that lodging tax revenues be used exclusively for:

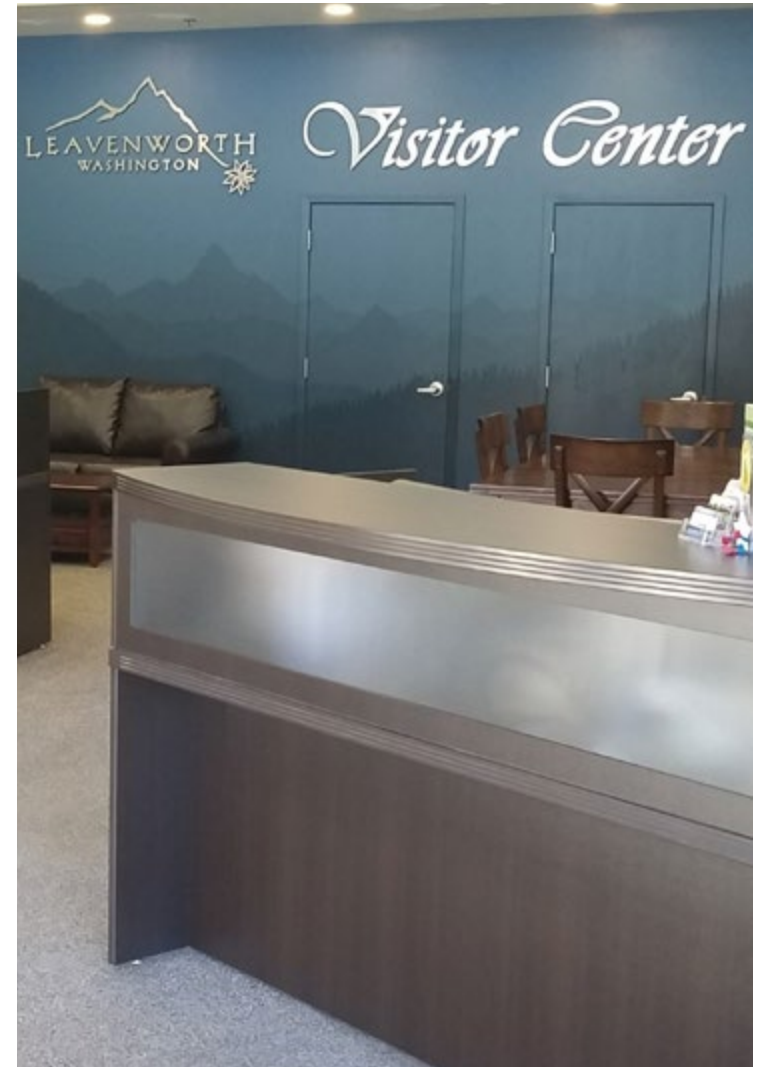
1. Tourism marketing.
2. The marketing and operations of special events and festivals designed to attract tourists.
3. Supporting the operations and capital expenditures of tourism-related facilities owned or operated by a municipality.
4. Supporting the operations of tourism-related facilities owned or operated by nonprofit organizations.

The Visitor Center

The Leavenworth Chamber of Commerce uniquely acts as both a traditional chamber, facilitating business to business and governmental relations, while also managing a Visitor Center.

The Visitor Center is open seven days a week and is staffed full time with experts who provide a myriad of information to our visitors about current activities and events, shopping and dining options, attractions, outdoor recreation and more. The following services are also provided:

- Open 362 days a year
- Responding to:
 - 65,000 emails
 - 51,000 phone calls
 - 30,000 walk in visitors
- Maintain and update a lodging availability database weekly for inquiring guests looking to stay over night
- Distribute 275,000 visitor guides & 53,000 maps annually
- Restrooms
- Provide driving directions
- Provide emergency, chain, and stranded vehicle assistance.
- Host a lost and found
- Post and share pass reports, weather conditions and construction information.
- Parking & transportation info.
- Internships
- Respond to business complaints
- Assist with school projects
- Ticket sales
- Manage the Gazebo schedule and the pointing people signs
- Maintain a Bavarian clothing closet
- Produce an annual Halloween Map
- Collect and distribute holiday hours



Annual Festivals & Village of Lights

Routinely featured in articles, magazines, movies, and travel shows, Leavenworth has established itself as one of the top Christmas towns in the U.S. The combination of snowy peaks encircling a twinkly snow globe of a community is a movie set for capturing memories. This has also made December the most successful month of the year for hotels and retailers.

Recent editorial inclusions.

- *10 Small Towns That Take Holiday Spirit to the Next Level* - [Thrillist.com](#)
- *Live out your Hallmark-movie fantasies in these 5 towns* - [Washington Post](#)
- *The 10 Best Christmas Towns in the U.S. (#2)* - [Wide Open Country](#)
- *The Quaintest Christmas Villages Across the U.S.* - [Fodors Travel](#)
- *The 10 Most Festive Christmas Towns in the U.S.* - [Travel Market Report](#)
- *America's Top Holiday Towns (#1)* - [USA Today](#)
- *Top 10 Christmas Towns* - [HGTV](#)

Leavenworth has built a tradition of celebrating the area's natural beauty and love of Bavarian culture with festivals drawing thousands of people annually.

The largest of those festivals include the following:

Bavarian IceFest*	2,000-3,000
Taste Leavenworth*	600-1,000
Maifest*	4,000-5,000
Kinderfest*	2,000-3,000
Autumn Leaf Festival	5,000+
Oktoberfest	15,000 per weekend
Christkindlmarkt	4,000-5,000
Christmas Lighting*	18,000 per weekend**

In addition to planning and executing of the above noted annual events, the Leavenworth Chamber of Commerce also activates the village and gazebo throughout the year with live entertainment.

Leavenworth has over 30 other events and festivals during the calendar year on a variety of scales. All together, these events draw over 150,000 visitors annually.

*Festivals that are produced by the Chamber of Commerce

**Estimation provided by ECONorthwest via 2015 Ice Rink Feasibility Study



Leavenworth Area Promotions (LAP)

To maintain Leavenworth's long-term success through promotion and by fostering the community's vibrancy through tourism.

Goal & Execution

LAP's goal is to support tourism and lodging and aims to foster longer, meaningful guest stays. The committee also works to establish continual top of mind presence in the marketplace, strengthen soft seasons and reach midweek travelers.

The chamber staff works year-round in coordination with the LAP Committee to set advertising schedules for a variety of media, communicate and hire PR firms for specific projects and pitch the Leavenworth experience to various marketing partners and media outlets.

LAP History & Committee Structure

Leavenworth Area Promotions was created in the mid-1990's when the State allowed certain cities to raise the lodging tax collected at the local level. In order to specifically advertise and market the town of Leavenworth, the City (at the request of the Leavenworth Lodging Association) adopted a local 1% lodging tax in 1993 before increasing it to 3% in 1997. A separate committee also administered the 1960's era 2% "Kingdome" lodging tax which cities could use for tourism infrastructure. In 2000, the state no longer required two separate committees to oversee the distinction between the state 2% tourism infrastructure tax and our local 3% marketing and promotions tax.

In 2001 the City of Leavenworth, the Leavenworth Lodging Association and the Chamber of Commerce entered into a multi-agency agreement to create the LAP Committee to manage and administer the funds allotted as part of the annual city budget of the combined 5% tax.

The LAP committee is made up of representation from the following groups:

- Three (3) board members from the Leavenworth Chamber of Commerce
- Three (3) members from the Leavenworth Lodging Association
- Two (2) mayor appointed Leavenworth City Council Members

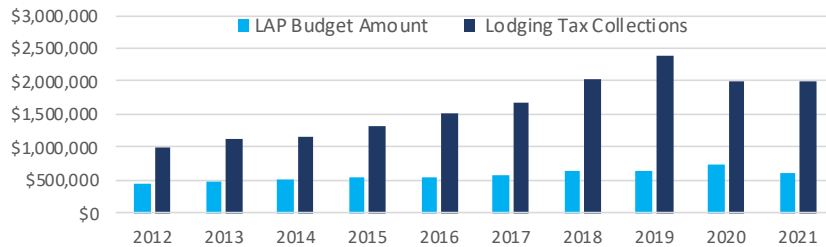
The work of LAP is executed and facilitated by the chamber's Executive Director and Marketing & PR Director.

Funding & Programs

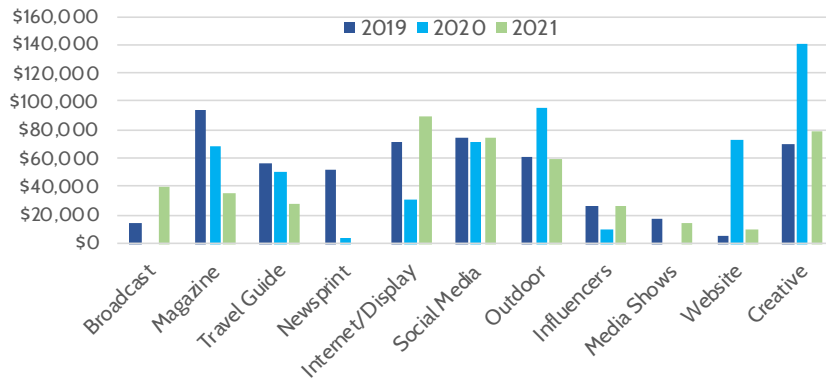
DID YOU KNOW?
 The nearly \$2 mill in Lodging Tax the city collects, by law, can only be used for tourism promotion, events, and facilities related to tourism.

LAP receives its funding from the approximately \$2 million generated by the hotel lodging tax collected from visitors who stay within the city limits of Leavenworth.

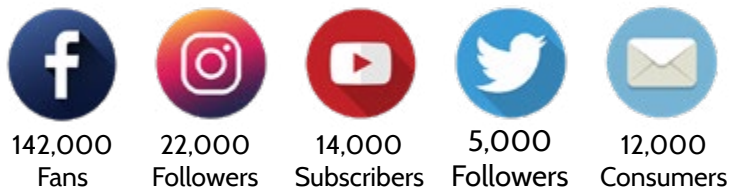
LAP Budget vs Annual Lodging Tax Collection



Annual LAP Marketing Expenses



Social Media & Electronic Assets



Chamber staff executes the following programs and services:

- Operate and promote Leavenworth.org
- Manage all social media
- Provide accurate visitor information
- Produce public service & promo videos
- Write blogs & articles
- Arrange photography & video shoots
- Facilitate commercial film crews
- Editorial outreach, pitch stories
- Host and entertain travel writers
- Write and distribute E-Newsletter
- Respond to media requests
- Feed B-roll/photography/facts
- Write and distribute press releases
- Provide media referrals via travel shows
- Conduct seasonal promotions
 - December Advent Calendar
 - Love from Leavenworth countdown
 - Spring Sensations pear promotions map
 - Taste Leavenworth culinary passport
 - Bavarian Ice Festival sponsor flag
 - Christmas Lighting Cookie Crawl
 - Ski & Stay lodging packages

The Leavenworth Area

The Village

The downtown core, referred to as The Village, spans across approximately four blocks from east to west and two blocks from north to south, consisting primarily of Front Street, Commercial Street, 8th Street and 9th Street. Nearly all of the shops and restaurants in the city of Leavenworth are concentrated in this core area, accounting for 30+ restaurants and 60+ retail shops. This area is also home to three bakeries, four coffee shops and three ice cream retailers. In addition to the large variety of retail shops and restaurants that can be found in the village, there are also 28 tasting rooms with everything from cider and wine to locally produced, craft beer. Approximately 280 of the 1,238 nightly rental rooms in city limits are located in the village area and are within direct walking distance of the heart of the downtown area. There are a variety of parking options for guests that are within walking distance including 512 street stalls as well as a variety of paid parking lots. There are a total of nine paid parking lots within two blocks of the core downtown area accounting for 428 stalls.



Leavenworth City Limits

Leavenworth is located in Chelan County and is home to a population of just over 2,000. The area spans across approximately 1.25 square miles in the cusp of the Cascade Mountains with an elevation of 1,166 feet. There are 869 hotel/motel rooms within city limits as well as an additional 369 nightly-rental rooms spanning across a variety of bed and breakfasts, vacation homes, cabins, condos, and suites.

Although the area is relatively small in terms of size and population, tourism has allowed Leavenworth's economy to grow and diversify. Within the city limits there are 40+ restaurants and 70+ retail shops. With a total of 1,238 nightly rental rooms, a sold out night more than doubles the town's population. The majority of the parking stalls in Leavenworth are concentrated within just a few blocks of the village, accounting for 940 stalls, however, there are a few additional public parking lots that span across a larger distance within city limits. One of those lots is located approximately 1/2 mile west of downtown that can accommodate 100 vehicles and the second is a 40 stall lot, approximately 1 mile east of downtown.



Greater Leavenworth Area / Cascade School District

Leavenworth is included in the Cascade School District along with neighboring towns including Dryden, Lake Wenatchee, Peshastin, Plain and Winton. Three elementary schools, one middle school and one high school provide continuous development for approximately 1,365 students from K-12th grades.

Meetings & Conferences

Another component to Leavenworth is the ability to host both large and small gatherings, conferences, retreats, social events and teambuilding groups. There are more than a dozen lodging facilities in the Leavenworth area that can accommodate both intimate groups as well as meetings with a capacity of up to 600 people.

Additionally, there are 17 lodging partners who specialize in family reunions, retreats of all sizes, and more.

There are 24 wedding venue and service-related businesses spanning across the greater Leavenworth area making it the perfect destination for both intimate gatherings and lavish parties alike.

The Leavenworth Festhalle, located in the heart of downtown, is a multi-purpose center that hosts a diverse selection of events each year and can hold up to 1000 people. Each year it hosts conferences and annual festivals, including Leavenworth's Oktoberfest and the Accordion Celebration. Dozens of weddings, concerts and tradeshow also take place in the Festhalle each year drawing in small and large crowds alike.



Fundraising Event at the Festhalle

Performing Arts

Leavenworth is home to a variety of organizations who celebrate the arts and perform year-round at a variety of venues. Outdoor theater productions, galleries, art walks and educational experiences are all included in the Leavenworth arts and entertainment scene.

The Icicle Creek Center for the Arts is dedicated to bringing exceptional performances as well as educational experiences to the area. With piano retreats, youth orchestras, theater camps, and ticketed events, such as their Chamber Music Festival, the Center hosts thousands of people annually. Their state-of-the-art facilities include a 230-capacity theater, a 100-capacity recital hall, and an outdoor stage for 700 people.

The Leavenworth Summer Theater (LST) hosts three spectacular productions each year including classics like *The Sound of Music* and *Hello Dolly*. Their productions take place at the Ski Hill Amphitheater and the Hatchery Stage, both of which have a capacity of approximately 500. The LST was established in 1994 and since then has grown substantially, drawing in upwards of 20,000 people each summer.

From April through October each year, a variety of artists set up in the downtown square on weekends to showcase and sell their work. The nonprofit organizer, Village Art in the Park, is the longest standing outdoor art event in the State.

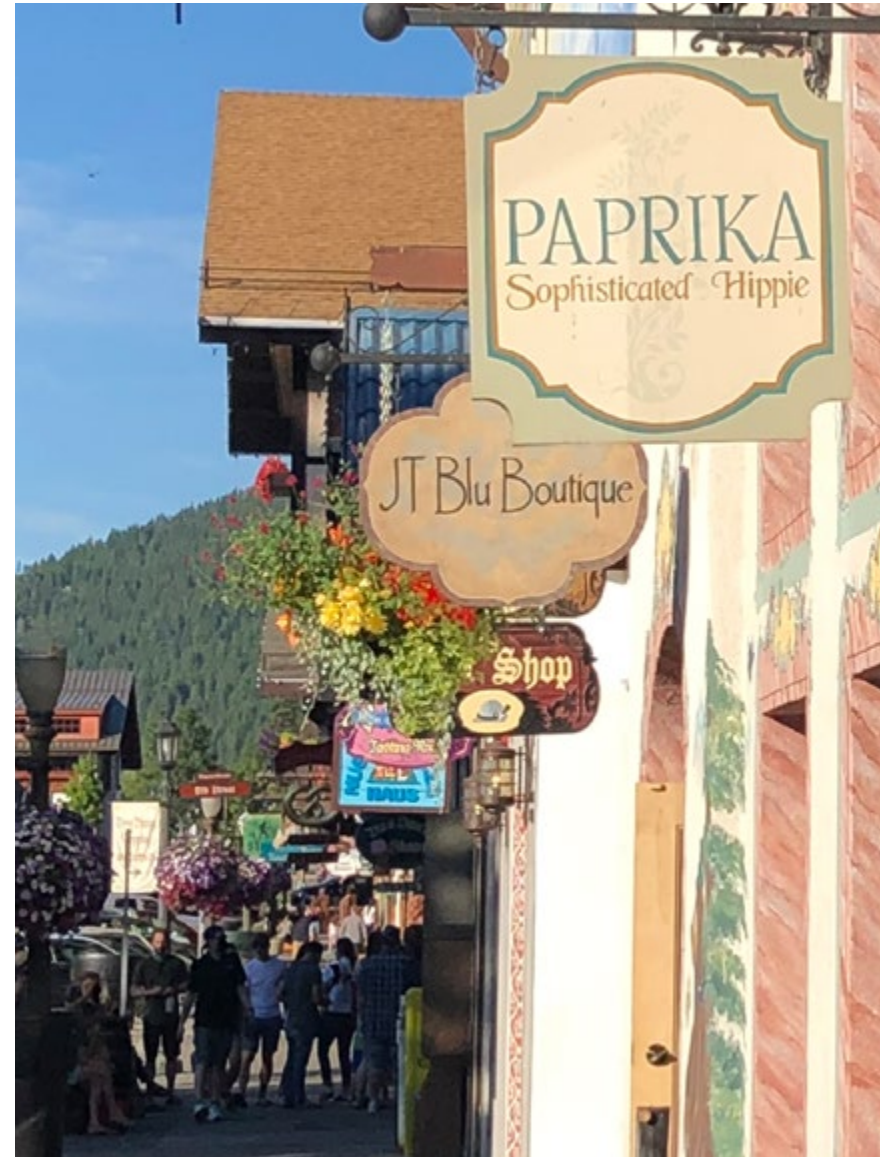


Icicle Creek Center for the Arts

Workforce

Just over 1,000 people are employed by Leavenworth's economy with the largest industries being accommodation and food services, followed by retail trade and finally, health care and social assistance. Not every industry is directly related to tourism, however, there is often a trickle-down effect. The chart below shows the relationship between employment and each industry present in Leavenworth.

Industry	Percent
Accommodation & Food Services	17.9%
Retail Trade	15.2%
Health Care & Social Services	11.2%
Educational Services	7.02%
Professional, Scientific & Technical Services	6.92%
Agricultural, Forestry and Fishing	5.73%
Public Administration	5.63%
Real Estate and Rental Leasing	5.24%
Construction	4.94%
Wholesale Trade	3.85%
Manufacturing	3.56%
Transportation and Warehousing	2.96%
Other Services Except Public Administration	2.47%
Utilities	1.68%
Information	1.19%



Parking

Within the downtown core, there are 2,515 parking stalls of which 846 are on-street parking and 1,669 are off street. Currently approximately 97% of these parking stalls are unregulated, allowing for stays with no time limit.

PARKING In the Village/Core Commercial area:

846	On Street Parking spots
470	In City Lots
83	Park and Rides
1399	TOTAL PUBLIC PARKING SPOTS

An additional 1200+ spots are in private lots near the village/core commercial area. (hotels, inns, Liberty Station)

Meters were installed in village during the fall of 2020 as part of a new paid parking plan which strives to:

- Get the right parker in the right stall
- Open up parking for customers by providing appropriate options for employees
- Use data/revenue for future parking options (i.e. garage)
- Capture revenues in the downtown to fund future parking related infrastructure

**2017 Leavenworth Parking Study, Rick Williams Consulting.
The 100 spots at the DOT city lot, opened in 2020, have been included.*



INVESTMENTS



Lodging

As Leavenworth's popularity has continued to rise among tourists over the last few decades, many hotels and other lodging facilities have rebranded over the years, however, brand new construction from the ground up has been rare with the exception of the Post Hotel and the Hampton Inn and Suites.

In 2015/2016, significant expansion on the already existing properties of the Bavarian Lodge and Icicle Inn hotels took place followed by a major revamp of a group of cabins, now called Loge Leavenworth, took place in 2017. The Posthotel, which offers a high-end spa and wellness experience, had its soft opening in 2017 and the Hampton Inn and Suites followed in 2018 with their soft opening.

Residential

In 2019, construction began on a 200-apartment building complex being built from the ground up by the Weidner group. Some of the units became available to the public in late 2020 while the rest of the apartments are expected to be fully operational in 2021.

Retail

For the first time in years, construction began on a new, from the ground up, retail building in the heart of town which would later house a restaurant, two wine tasting rooms, a book store, an ice cream shop and a boutique-styled retail shop. Construction on the building finalized in the summer of 2018 and tenants began moving into their spaces for a soft opening in August of that year.

Attractions

Leavenworth Adventure Park, which will likely include a climbing wall, a bungee trampoline and a mountainside toboggan track, received approval for its building design from the City of Leavenworth in late 2020. The project is set to be developed on the west end of town off of U.S. Highway 2. The multi-million dollar project has an unknown opening date but will likely obtain a building permit sometime in 2021.

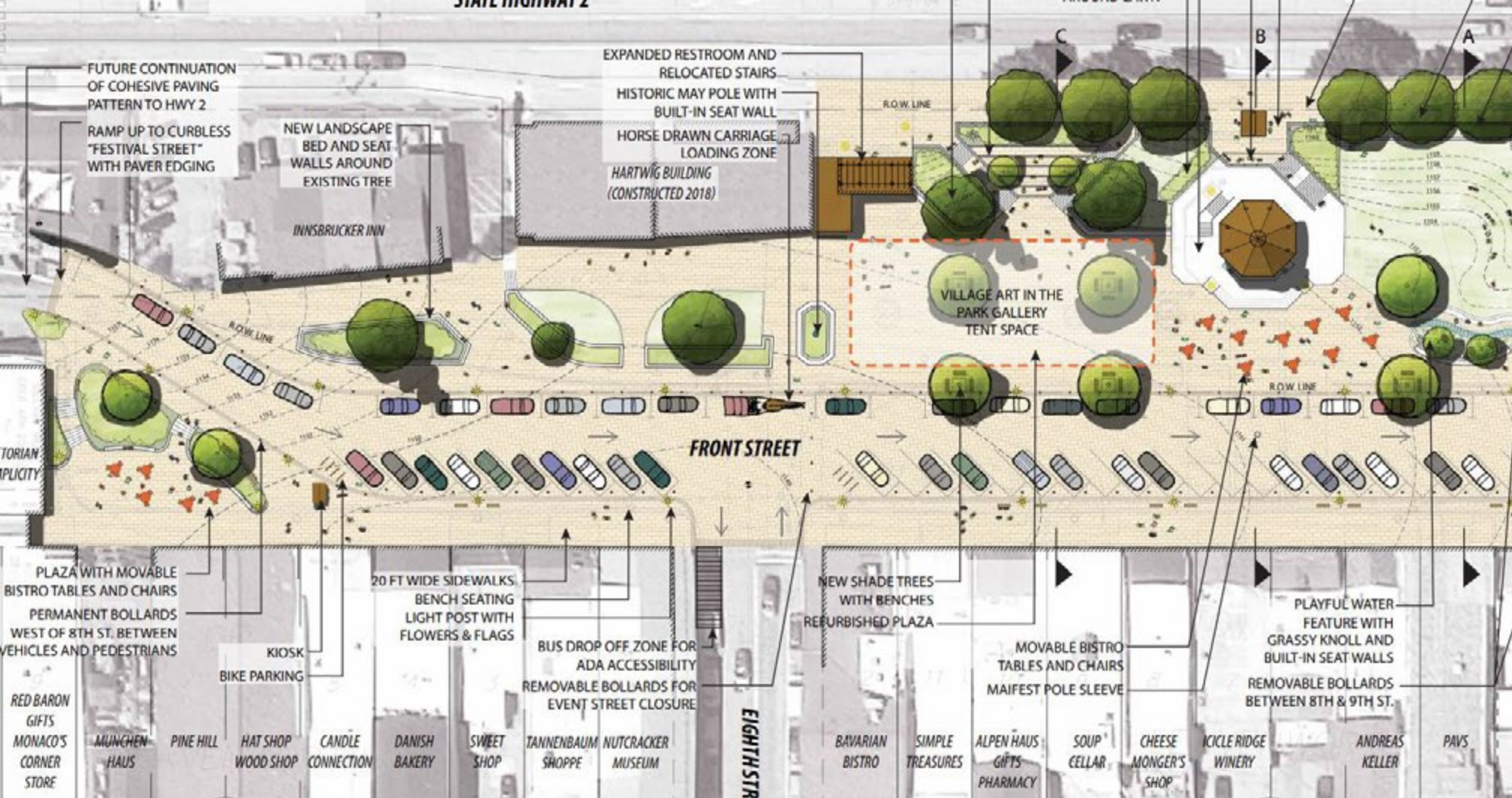


Downtown Master Plan



The **Downtown Master Plan** is a conceptual road map that identifies capital improvements within the Downtown Commercial core along with standardized design elements. These improvements and enhancements include repair and reconstruction of roadways, sidewalks, streetlights, benches, trash receptacles, etc.

The Plan was adopted by the Council in October of 2009 and was awarded the Best Physical Plan by the Washington American Planning Association (APA) in 2009. More details at <https://cityofleavenworth.com/city-government/boards-and-commissions/downtown-steering-committee/>



Major Projects Completed as of 2020

1. Reconstruction of 9th Street.
2. Reconstruction of Front Street Hwy. 2 to Division.
3. Reconstruction of Commercial Street (8th to 3rd).
4. Replacement and addition of trash receptacles.
5. Addition of Pedestrian Lighting.

6. Development and Implementation of Hwy 2 Wayfinding.
7. Street banner replacement and addition.
8. Implemented Street Bench donation program.
9. Conceptual approval to renovate the restrooms.

BAVARIAN STYLE

By furthering Leavenworth's Old World Bavarian-Alpine theme, we all ensure the continued vitality of our economy through an asset which forms the basis for Leavenworth's thriving tourist industry.



Bavarian Theme Guidelines

To maintain and enhance the benefits of the Old-World Bavarian Alpine Theme, the Design Review Board reviews all architectural elements, any exterior modifications, signs and lighting. The following is some basic information for business owners. To learn more, check out the City's website at www.cityofleavenworth.com or contact City Hall at 509-548-5275. Consultation with the Design Review Board is available for the earliest stages of planning and could save time and money in the final planning and modification/development of your building.

Architecture / Building Exteriors

The Old-World Bavarian Alpine Theme applies to all exterior elements of buildings, including but not limited to any painting (for instance entry doors, trim and murals) and many types of decorations on the exterior of buildings and businesses. Many items which are commonly used for business operations, for example mechanical equipment (air conditioners and exterior venting), garbage receptacles/dumpsters, outside fuel containers, outside vending machines, media dispensers, and serving windows, are governed by the code. If you plan on changing any exterior element of a building contact the City prior to starting any work.

Signs

The Old-World Bavarian Alpine Theme and the Sign Code applies to all types of signage, including window signs and A-frames, that you may want to display. There are many classifications of signage, and certain types of signage which may not require a

permit, but are still governed in appearance and placement by the code. Contacting the City early in your planning process is highly recommended.

Lighting

The Old-World Bavarian Alpine Theme and the Lighting Code applies to all exterior lights including lighting of signage and/or adding or changing exterior light fixtures. Holiday lights are a big part of the Leavenworth attraction and are exempt from a lighting permit when meeting the following standard for all lights:

- No blinking, flashing, moving, revolving, flickering, changing intensity or color, chase lighting, rope lights, and neon, except lighting which is required for public safety.
- No light fixture may be confused with or construed as a traffic control device.
- No upward oriented lighting, including sign lighting, except as otherwise provided for by the Code, shall only be allowed when upward-oriented lighting is completely contained by an overhanging architectural element.
- No searchlights, beacons, and laser source light fixtures.
- No use of flashing or moving lights on the exterior premises, or within three feet of the interior of any window which can be seen from the outdoors.
- No internally illuminated signs.

The Design Review Board and City staff are available to address questions and provide feedback on the Old-World Bavarian Alpine Theme.

