



CARLSBAD GOLF LODGING BUSINESS IMPROVEMENT DISTRICT

Agenda

April 10, 2024, 1 p.m.

Council Chamber
1200 Carlsbad Village Drive
Carlsbad, CA 92008

Welcome to the Carlsbad Golf Lodging Business Improvement District Advisory Board Meeting

We welcome your interest and involvement in the city's legislative process. This agenda includes information about topics coming before the CGLBID Advisory Board and the action recommended. You can read about each topic in the reports, which are available on the city website. The staff liaison is also available to answer any questions you have about CGLBID Advisory Board meeting procedures.

How to watch

In Person



CGLBID Advisory Board Meetings take place at City Hall, 1200 Carlsbad Village Drive

Online



Watch the livestream and replay past meetings on the city website, carlsbadca.gov/residents/communication/city-tv-channel

How to participate

If you would like to provide comments to the CGLBID Advisory Board, please:

- Fill out a speaker request form, located in the foyer.
- Submit the form to the Clerk before the item begins.
- When it's your turn, the Clerk will call your name and invite you to the podium.
- Speakers have three minutes, unless the presiding officer (usually the chair) changes that time.
- You may not give your time to another person, but groups can select a single speaker as long as three other members of your group are present. Group representatives have 10 minutes unless that time is changed by the presiding officer or the commission.
- **In writing:** Email your comments to business@carlsbadca.gov. Please indicate the agenda item number in your email subject line. Emails received by 11 a.m. will be provided to the Carlsbad Golf Lodging Business Improvement District Advisory Board prior to the start of the meeting. Other comments will be included with the meeting record. **Emailed comments will not be read out loud during the meeting.**

Reasonable Accommodations

Reasonable Accommodations Persons with a disability may request an agenda packet in appropriate alternative formats as required by the Americans with Disabilities Act of 1990. Reasonable accommodations and auxiliary aids will be provided to effectively allow participation in the meeting. Please contact the City Manager's Office at 442-339-2821 (voice), 711 (free relay service for TTY users), 760-720-9461 (fax) or manager@carlsbadca.gov by noon on the Tuesday before the meeting to make arrangements. City staff will respond to requests by noon on Wednesday, the day of the meeting, and will seek to resolve requests before the start of the meeting in order to maximize accessibility.

CALL TO ORDER:

ROLL CALL:

APPROVAL OF MINUTES:

Minutes of the Special Meeting held Nov. 1, 2023

PUBLIC COMMENT:

ADVISORY BOARD COMMENTS & ANNOUNCEMENTS:

NEW BUSINESS:

1. **REIMBURSEMENT REQUESTS FOR GOLF-RELATED EXPENSES** – 1) Adoption of a resolution approving a reimbursement request from Hilton Cape Rey Carlsbad Beach Resort for golf-related expenses and authorizing staff to process the payment; and
2) Adoption of a resolution approving a reimbursement request from Hilton Garden Inn for golf-related expenses and authorizing staff to process the payment; and
3) Adoption of a resolution approving a reimbursement request from Carlsbad by the Sea for golf-related expenses and authorizing staff to process the payment. (Staff contact: Matt Sanford, Innovation and Economic Development Department)

Recommendation: Adopt the resolutions.

2. **DISESTABLISHMENT OF THE CARLSBAD GOLF LODGING BUSINESS IMPROVEMENT DISTRICT** – Adoption of a resolution recommending the City Council disestablish the Carlsbad Golf Lodging Business Improvement District established in 2012 and repeal Carlsbad Municipal Code Chapter 3.38. (Staff contact: Matt Sanford, Innovation and Economic Development Department)

Recommendation: Adopt the resolution.

GENERAL COUNSEL COMMENT:

ADJOURNMENT



CARLSBAD GOLF LODGING BUSINESS IMPROVEMENT DISTRICT

Minutes

Special Meeting

Council Chamber
1200 Carlsbad Village Drive
Carlsbad, CA 92008

Nov. 1, 2023

CALL TO ORDER: 2:01 p.m.

ROLL CALL: Stripe, Canepa, Stull, Eding.

CONSENT CALENDAR:

APPROVAL OF MINUTES:

Minutes of the Special Meeting held April 26, 2023

Motioned by Board Member Stull, seconded by Board Member Canepa, to approve the minutes as presented. Motion carried 2/0/2 (Canepa, Eding – Abstain).

Minutes of the Special Meeting held June 27, 2023

Motioned by Board Member Canepa, seconded by Board Member Stull, to approve the minutes as presented. Motion carried 2/0/2 (Edin, Stull – Abstain).

REPORTS AND DISCUSSION ITEMS:

1. **REIMBURSEMENT REQUESTS**

Recommendation:

1. Adopt a resolution approving a reimbursement request from Omni La Costa Resort & Spa for golf-related expenses and authorizing staff to process the payment; and
2. Adopt a resolution approving a reimbursement request from Sheraton Carlsbad Resort for golf-related expenses and authorizing staff to process the payment; and
3. Adopt a resolution approving a reimbursement request from Cassara for golf-related expenses and authorizing staff to process the payment; and
4. Adopt a resolution approving a reimbursement request from Hilton Cape Rey Carlsbad Beach Resort for golf-related expenses and authorizing staff to process the payment; and
5. Adopt a resolution approving a reimbursement request from Hilton Garden Inn for golf-related expenses and authorizing staff to process the payment; and
6. Adopt a resolution approving a reimbursement request from Park Hyatt Aviara for golf-related expenses and authorizing staff to process the payment; and
7. Adopt a resolution approving a reimbursement request from Carlsbad by the Sea for golf-related expenses and authorizing staff to process the payment.

The Board received the report of reimbursement requests from participating hotels.

Motion by Board Member Canepa, seconded by Board Member Stull, to adopt Resolution No. 2023-014 approving the requested reimbursements for Omni La Costa Resort & Spa. Motion carried unanimously 4/0.

Motion by Board Member Stull, seconded by Board Member Canepa, to adopt Resolution No. 2023-015 approving the requested reimbursements for Sheraton Carlsbad Resort. Motion carried, 2/0/2 (Eding, Stripe – Abstain).

Motion by Board Member Eding, seconded by Board Member Canepa, to adopt Resolution No. 2023-016 approving the requested reimbursements for Cassara. Motion carried, 3/0/1 (Stripe – Abstain).

Motion by Board Member Stull, seconded by Board Member Eding, to adopt Resolution No. 2023-017 approving the requested reimbursements for Hilton Cape Rey Carlsbad Beach Resort. Motion carried, 3/0/1 (Canepa – Abstain).

Motion by Board Member Eding, seconded by Board Member Stull, to adopt Resolution No. 2023-018 approving the requested reimbursements for Hilton Garden Inn. Motion carried, 3/0/1 (Canepa – Abstain).

Motion by Board Member Stull, seconded by Board Member Canepa, to adopt Resolution No. 2023-019 approving the requested reimbursements for Park Hyatt Aviara. Motion carried, 3/0/1 (Eding – Abstain).

Motion by Board Member Canepa, seconded by Board Member Stull, to adopt Resolution No. 2023-020 approving the requested reimbursements for Carlsbad by the Sea. Motion carried unanimously, 4/0.

GENERAL COUNSEL COMMENT:

None.

PUBLIC COMMENT:

None.

ADJOURNMENT:

By proper motion, the Special Board Meeting was adjourned at 2:12 p.m.

Bridget Desmarais
Management Analyst



Staff Report

Meeting Date: April 10, 2024
To: CGLBID Advisory Board Members
From: Matt Sanford, Economic Development Manager
Staff Contact: Matt Sanford, Economic Development Manager
matt.sanford@carlsbadca.gov, 760-607-2923
Subject: Reimbursement Requests for Golf-Related Expenses

Recommended Action

- 1) Adopt a resolution approving a reimbursement request from Hilton Cape Rey Carlsbad Beach Resort for golf-related expenses and authorizing staff to process the payment; and
- 2) Adopt a resolution approving a reimbursement request from Hilton Garden Inn for golf-related expenses and authorizing staff to process the payment; and
- 3) Adopt a resolution approving a reimbursement request from Carlsbad by the Sea for golf-related expenses and authorizing staff to process the payment.

Item Explanation

At its Nov. 27, 2012, meeting, the Carlsbad City Council adopted Ordinance No. CS-194 forming the Carlsbad Golf Lodging Business Improvement District (CGLBID). Hotels, as defined in Carlsbad Municipal Code Section 3.12.020, that choose to opt into the district, are assessed \$2 per occupied room night. This assessment is remitted to the city monthly through the current Transient Occupancy Tax collection process. The proceeds of the assessment must be used to promote golf-related tourism within the boundaries of the CGLBID, as well as marketing-related capital improvements such as golf-related signage and equipment, and to pay for the related administrative costs. Each assessed hotel determines how to spend the funds collected by its respective property, provided the expenditures are for an approved golf-related expense. Reimbursement of these expenses would be made quarterly upon approval by the CGLBID Advisory Board, up to the amount collected per property minus administrative fees.

At its April 17, 2013, meeting, the CGLBID Advisory Board approved a process for reimbursement (Resolution No. 2013-4G). Based on this process, staff has reviewed reimbursement requests submitted by Hilton Cape Rey Carlsbad Beach Resort, Hilton Garden Inn, and Carlsbad by the Sea, and is recommending the Advisory Board adopt the attached resolutions approving the reimbursement requests and authorizing staff to process the payment for the expenses up to the amount collected minus the 4% administration fees.

Fiscal Impact

As of April 1, 2024, the CGLBID cash balance was \$213,593. The account balance for each hotel requesting reimbursement is outlined below. A participating hotel may submit reimbursements quarterly to draw from their respective accounts. If the hotel’s request exceeds the amount available, the hotel may only be reimbursed up to their current account balance.

<u>Property</u>	<u>Account balance</u>	<u>Requested reimbursement</u>	<u>Recommended reimbursement</u>	<u>Remaining balance</u>
Cape Rey Hilton	\$ 19,823	\$ 19,823	\$ 19,823	\$ 0
Carlsbad by the Sea	54,428	56,746	54,428	0
Hilton Garden Inn	139,342	139,342	139,342	0
Total	\$ 213,593	\$ 215,911	\$ 213,593	\$ 0

Next Steps

Properties that have already fully expended their account balance will submit reimbursement requests to Visit Carlsbad as the Owner’s Association of the New CTBID, for qualifying expenses that were incurred beginning July 1, 2023.

Properties that have a balance remaining after the April 10 Advisory Board meeting will receive a refund of remaining assessment funds paid at the time of the CGLBID disestablishment pursuant to California Streets and Highway Code § 36551. This will mean that the CGLBID will have no funds remaining.

With all CGLBID funds completely expended, the CGLBID Advisory Board may provide a recommendation to the City Council to disestablish the CGLBID.

Environmental Impact

This action does not constitute a “project” within the meaning of the California Environmental Quality Act under California Public Resources Code Section 21065, in that it has no potential to cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment.

Exhibits

1. CGLBID Advisory Board resolution approving reimbursement for Hilton Cape Rey Carlsbad Beach Resort
2. CGLBID Advisory Board resolution approving reimbursement for Hilton Garden Inn
3. CGLBID Advisory Board resolution approving reimbursement for Carlsbad by the Sea

RESOLUTION NO. 2024-

A RESOLUTION OF THE ADVISORY BOARD OF THE CARLSBAD GOLF LODGING BUSINESS IMPROVEMENT DISTRICT (CGLBID), APPROVING A REIMBURSEMENT REQUEST FROM THE HILTON CAPE REY CARLSBAD BEACH RESORT FOR GOLF-RELATED EXPENSES AND AUTHORIZING STAFF TO PROCESS PAYMENT

WHEREAS, at its Nov. 27, 2012, meeting, the Carlsbad City Council adopted Ordinance No. CS-194 forming the Carlsbad Golf Lodging Business Improvement District (CGLBID); and

WHEREAS, members of the CGLBID are assessed \$2 per occupied room night, which is remitted to the city monthly through the current Transient Occupancy Tax collection process; and

WHEREAS, the proceeds of the assessment must be used to promote golf-related tourism within the boundaries of the CGLBID; and

WHEREAS, each assessed hotel determines how to spend the funds collected by its respective property, provided expenditures are for approved golf-related expenses; and

WHEREAS, reimbursement of these expenses may be made quarterly upon approval of the CGLBID Advisory Board, up to the amount collected per property minus administrative fees; and

WHEREAS, staff has reviewed the reimbursement request in Attachment A and is recommending the Advisory Board approve this reimbursement and authorize staff to pay the request up to the amount available.

NOW, THEREFORE, BE IT RESOLVED by the Advisory Board of the Carlsbad Golf Lodging Business Improvement District, as follows:

1. The above recitations are true and correct.
2. The CGLBID Board approves the April 10, 2024, reimbursement request from Hilton Cape Rey Beach Resort (Attachment A) and authorizes staff to pay \$19,823 to Hilton Cape Rey Carlsbad Beach Resort.
3. The CGLBID Advisory Board approves a reimbursement of any remaining funds collected from Hilton Cape Rey Beach Resort back to Hilton Cape Rey Beach Resort at the time of the district's disestablishment, pursuant to California Streets and Highway Code § 36551.

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the Advisory Board of the Carlsbad Golf Lodging Business Improvement District on the __ day of _____ 2024, by the following vote, to wit:

AYES:

NAYS:

ABSENT:

ABSTAIN:

TIM STRIPE, Chair

SHERRY FREISINGER, City Clerk
(SEAL)

RESOLUTION NO. 2024-

A RESOLUTION OF THE ADVISORY BOARD OF THE CARLSBAD GOLF LODGING BUSINESS IMPROVEMENT DISTRICT (CGLBID), APPROVING A REIMBURSEMENT REQUEST FROM THE HILTON GARDEN INN FOR GOLF-RELATED EXPENSES AND AUTHORIZING STAFF TO PROCESS PAYMENT

WHEREAS, at its Nov. 27, 2012, meeting, the Carlsbad City Council adopted Ordinance No. CS-194 forming the Carlsbad Golf Lodging Business Improvement District (CGLBID); and

WHEREAS, members of the CGLBID are assessed \$2 per occupied room night, which is remitted to the city monthly through the current Transient Occupancy Tax collection process; and

WHEREAS, the proceeds of the assessment must be used to promote golf-related tourism within the boundaries of the CGLBID; and

WHEREAS, each assessed hotel determines how to spend the funds collected by its respective property, provided expenditures are for approved golf-related expenses; and

WHEREAS, reimbursement of these expenses may be made quarterly upon approval of the CGLBID Advisory Board, up to the amount collected per property minus administrative fees; and

WHEREAS, staff has reviewed the reimbursement request in Attachment A and is recommending the Advisory Board approve this reimbursement and authorize staff to pay the request up to the amount available.

NOW, THEREFORE, BE IT RESOLVED by the Advisory Board of the Carlsbad Golf Lodging Business Improvement District, as follows:

1. The above recitations are true and correct.
2. The CGLBID Board approves the April 10, 2024, reimbursement request from Hilton Garden Inn (Attachment A) and authorizes staff to pay \$139,342 to Hilton Garden Inn.
3. The CGLBID Advisory Board approves a reimbursement of any remaining funds collected from Hilton Garden Inn back to Hilton Garden Inn at the time of the district's disestablishment, pursuant to California Streets and Highway Code § 36551.

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the Advisory Board of the Carlsbad Golf Lodging Business Improvement District on the ___ day of _____ 2024, by the following vote, to wit:

AYES:

NAYS:

ABSENT:

ABSTAIN:

TIM STRIPE, Chair

SHERRY FREISINGER, City Clerk
(SEAL)

RESOLUTION NO. 2024-

A RESOLUTION OF THE ADVISORY BOARD OF THE CARLSBAD GOLF LODGING BUSINESS IMPROVEMENT DISTRICT (CGLBID), APPROVING A REIMBURSEMENT REQUEST FROM THE CARLSBAD BY THE SEA FOR GOLF-RELATED EXPENSES AND AUTHORIZING STAFF TO PROCESS PAYMENT

WHEREAS, at its Nov. 27, 2012, meeting, the Carlsbad City Council adopted Ordinance No. CS-194 forming the Carlsbad Golf Lodging Business Improvement District (CGLBID); and

WHEREAS, members of the CGLBID are assessed \$2 per occupied room night, which is remitted to the city monthly through the current Transient Occupancy Tax collection process; and

WHEREAS, the proceeds of the assessment must be used to promote golf-related tourism within the boundaries of the CGLBID; and

WHEREAS, each assessed hotel determines how to spend the funds collected by its respective property, provided expenditures are for approved golf-related expenses; and

WHEREAS, reimbursement of these expenses may be made quarterly upon approval of the CGLBID Advisory Board, up to the amount collected per property minus administrative fees; and

WHEREAS, staff has reviewed the reimbursement request in Attachment A and is recommending the Advisory Board approve this reimbursement and authorize staff to pay the request up to the amount available.

NOW, THEREFORE, BE IT RESOLVED by the Advisory Board of the Carlsbad Golf Lodging Business Improvement District, as follows:

1. The above recitations are true and correct.
2. The CGLBID Board approves the April 10, 2024 reimbursement request from Carlsbad by the Sea (Attachment A) and authorizes staff to pay \$54,428 to Carlsbad by the Sea.

PASSED, APPROVED AND ADOPTED at a Regula Meeting of the Advisory Board of the Carlsbad Golf Lodging Business Improvement District on the __ day of _____ 2024, by the following vote, to wit:

AYES:

NAYS:

ABSENT:

ABSTAIN:

TIM STRIPE, Chair

SHERRY FREISINGER, City Clerk
(SEAL)



Staff Report

Meeting Date: April 10, 2024
To: CGLBID Advisory Board Members
From: Matt Sanford, Economic Development Manager
Staff Contact: Matt Sanford, Economic Development Manager
matt.sanford@carlsbadca.gov, 760-607-2923
Subject: Disestablishment of the Carlsbad Golf Lodging Business Improvement District

Recommended Action

Adopt a resolution recommending the City Council disestablish the Carlsbad Golf Lodging Business Improvement District established in 2012 and repeal Carlsbad Municipal Code Chapter 3.38.

Item Explanation

On Nov. 27, 2012, the Carlsbad City Council adopted Ordinance No. CS-194 forming the Carlsbad Golf Lodging Business Improvement District (CGLBID). Hotels, as defined in Carlsbad Municipal Code Section 3.12.020, that choose to opt into the district were assessed \$2 per occupied room night. The proceeds of the assessment were used to promote golf-related tourism within the boundaries of the CGLBID, as well as marketing-related capital improvements such as golf-related signage and equipment, and to pay for the related administrative costs. To oversee the district and validate expenditures, a five-member advisory board was established, with members representative of district participants and a representative of the Crossings Golf Course as a city-owned golf property. Each assessed hotel determined how to spend the funds collected by its respective property, provided the expenditures were for an approved golf-related expense. Reimbursement of these expenses would be made quarterly upon approval by the CGLBID Advisory Board, up to the amount collected per property minus administrative fees.

Over the 12 years the CGLBID district has been established, it has been deemed successful by the participating hotels, allowing them to position their properties, and Carlsbad as a whole, as a golf destination. The promotion of golf and golf-related activities led to an increase in visitors and money spent in the destination, bolstering transient occupancy tax and sales tax revenue. The district grew to include seven prominent Carlsbad hotels, which collectively raised approximately \$1.1 million annually to pay for golf-related promotional expenditures at no cost to the city.

Corresponding CTBID Development

In 2020, the Carlsbad Tourism Business Improvement District (CTBID), through a petition from the majority of the lodging businesses in Carlsbad (as measured by the revenue they contributed), and subsequent City Council action, raised the assessment from \$1 per room night to 2% of the daily room night cost.

The increase in the assessment rate increased the district's budget from approximately \$1.5 million to approximately \$6.5 million. This larger budget went into effect beginning in fiscal year 2020-21 and allowed for more robust tourism promotion.

On Jan. 12, 2022, the existing CTBID Advisory Board, made up of representatives of local hotels and resorts, voted to explore options to modernize the district's operations, including possibly establishing a new district under the Property and Business Improvement District Law of 1994, and disestablishing the existing district.

On April 18, 2023, the City Council of the City of Carlsbad formed a new Carlsbad Tourism Business Improvement District (New CTBID) under the Property and Business Improvement District Law of 1994 (California Streets and Highways Code Sections 36600 *et seq.*) with the support of the majority of the Carlsbad lodging businesses. Visit Carlsbad was selected as the Owners' Association under the New CTBID and implemented the New CTBID's management district plan as of July 1, 2023, when the new assessment began.

Golf Related Programs as part of the New CTBID

The New CTBID includes an optional golf assessment that was designed to take the place of the CGLBID moving forward. This approach allows for more streamlined operations under Visit Carlsbad as the designated Owners' Association. The New CTBID program began operating on July 1, 2023, and was authorized for a five-year period. Because of the formation of the New CTBID and corresponding golf program, the previous CGLBID assessment was not levied in fiscal year 2023-24. Only remaining funds from previous fiscal year's assessments remained. The CGLBID district remained in place to oversee the expenditures of all remaining funds.

Disestablishment of the CGLBID

As of April 5, 2024, all remaining CGLBID funds were expended. Because there are no remaining funds and the assessment has already been discontinued, the CGLBID Advisory Board may provide a recommendation to the City Council to disestablish the CGLBID.

Fiscal Impact

As of April 5, 2024, the CGLBID cash balance was exhausted.

Next Steps

Should the CGLBID Advisory Board adopt the resolution recommending disestablishment of the district, staff will proceed with scheduling the necessary public hearing and item for City Council consideration.

Environmental Impact

This action does not constitute a “project” within the meaning of the California Environmental Quality Act under California Public Resources Code Section 21065, in that it has no potential to cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment.

Exhibit

1. Resolution - CGLBID Disestablishment Recommendation

RESOLUTION NO. _____

A RESOLUTION OF THE CARLSBAD GOLF LODGING BUSINESS IMPROVEMENT DISTRICT ADVISORY BOARD OF THE CITY OF CARLSBAD, CALIFORNIA, RECOMMENDING THE CITY COUNCIL DISESTABLISH THE CARLSBAD GOLF LODGING BUSINESS IMPROVEMENT DISTRICT ESTABLISHED IN 2012 AND REPEAL CARLSBAD MUNICIPAL CODE CHAPTER 3.38

WHEREAS, on Nov. 27, 2012, the City Council of the City of Carlsbad approved Ordinance No. CS-194 enacting Chapter 3.38 of the Carlsbad Municipal Code establishing the Carlsbad Golf Lodging Business Improvement District (CGLBID) under the Parking and Business Improvement Area Law of 1989 (California Streets and Highways Code Section 36500 *et seq.*); and

WHEREAS, the City Council established the Carlsbad Golf Lodging Business Improvement District Advisory Board (CGLBID Advisory Board) as authorized under the California Streets and Highways Code Section 36530 and codified in Carlsbad Municipal Code Section 3.38.100; and

WHEREAS, the City Council formed a new Carlsbad Tourism Business Improvement District on April 18, 2023 (New CTBID) under the Property and Business Improvement District Law of 1994 (California Streets and Highways Code Section 36600 *et seq.*) as effectuated in City Council Resolution No. 2023-118; and

WHEREAS, the New CTBID will continue providing golf-related programs and activities with Visit Carlsbad as the contracted Owners' Association as defined under the 94 Law; and

WHEREAS, as a result of the New CTBID's establishment, the Carlsbad Golf Lodging Business Improvement District has wound down operations and exhausted its remaining funds as of April 5, 2024; and

WHEREAS, there are no remaining assets to dispose of acquired with the revenues of the assessments levied and collected for the Carlsbad Golf Lodging Business Improvement District's projects, programs, activities, and administration.

NOW, THEREFORE, BE IT RESOLVED by the Carlsbad Golf Lodging Business Improvement District Advisory Board of the City of Carlsbad, California, as follows:

1. That the above recitations are true and correct.

2. That the CGLBID Advisory Board recommends the City Council disestablish the Carlsbad Golf Lodging Business Improvement District and repeal Carlsbad Municipal Code Chapter 3.38.

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the Carlsbad Golf Lodging Business Improvement District Advisory Board of the City of Carlsbad on the __ day of _____, 2024, by the following vote, to wit:

AYES:

NAYS:

ABSTAIN:

ABSENT:

TIM STRIPE, Chair

SHERRY FREISINGER, City Clerk
(SEAL)