

CARLSBAD GOLF LODGING

Business Improvement District



Fiscal Year 2018–2019

Carlsbad Golf Lodging Business Improvement District

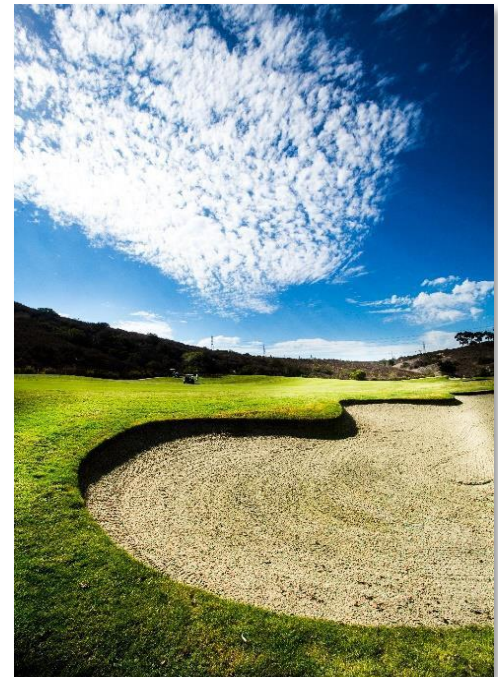
History

On Nov. 27, 2012 the City Council adopted Ordinance No. CS- 194 forming the Carlsbad Golf Lodging Business Improvement District (CGLBID) pursuant to the Parking and Business Improvement Law of 1989. The ordinance authorized the levying of \$2 per room night assessment of each occupied room, of the properties within the city that have elected to be part of the district, effective Jan. 1, 2013.



Purpose

The purpose of the Carlsbad Golf Lodging Business Improvement District is to promote golf-related overnight stays at participating hotels in Carlsbad. The district raises funds for golf-related marketing efforts to drive room night sales associated with overnight golf course visitation. The authorized expenditures would be limited to: joint web, radio, print and television marketing of hotels and golf courses; golf-related equipment specifically used to promote overnight visitation; promotional signage; and other items specifically designed to drive golf-related overnight stays and other golf-related expenditures approved by the City Council or the District Board.



Board Members

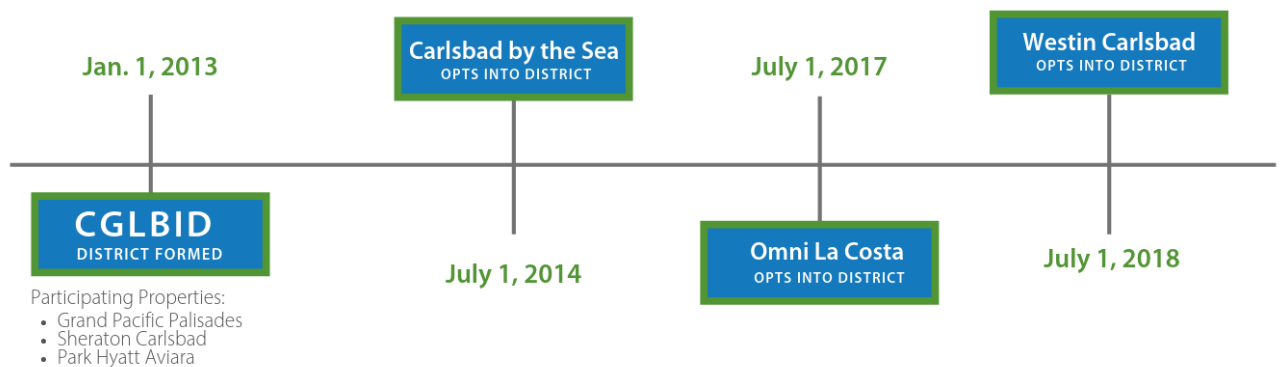
The members of the Carlsbad Golf Lodging Business Improvement District Board make recommendations to the City Council for an annual budget, and recommend funding of projects, program and activities that benefit the District. The Board members appointed by the City Council, must be members of the district and one golf member. The Board meets on an as needed basis, usually once a quarter.

CGLBID BOARD

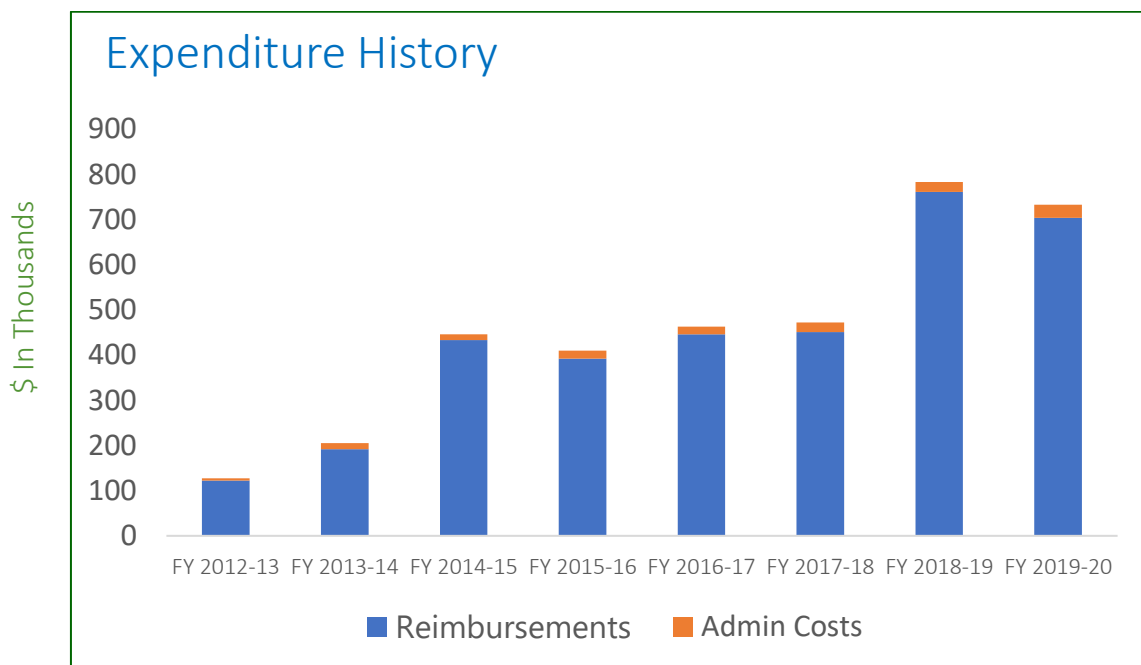
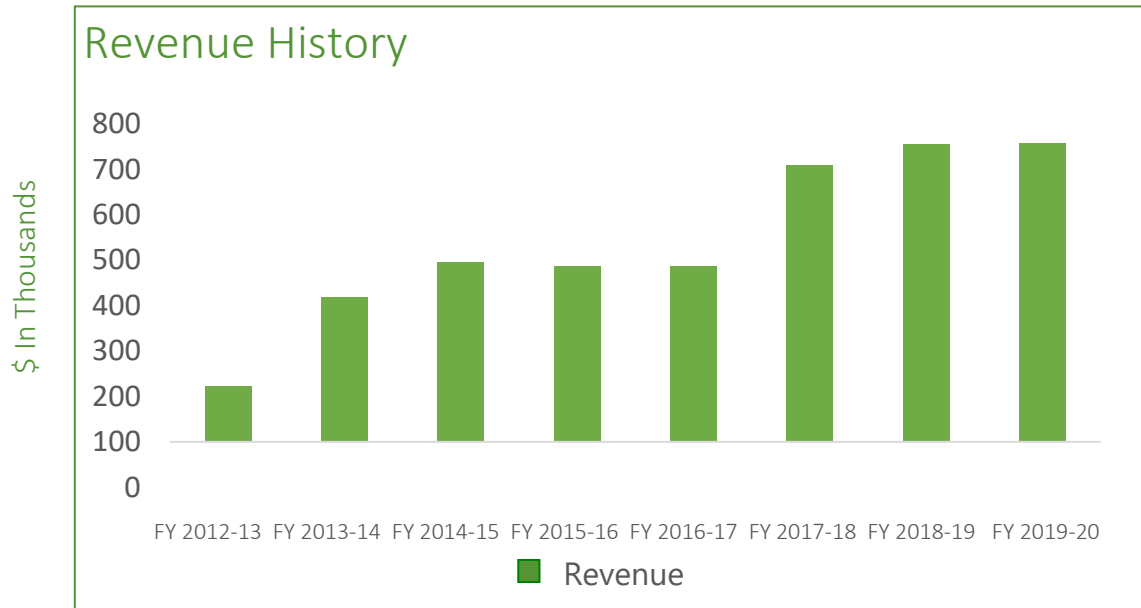
Timothy Stripe, Grand Pacific Resorts	Term Expires 11/2022 Board Chair exp 6/2021
Geoff Gray, Park Hyatt Aviara Resort	Term Expires 11/2020 Board Vice-Chair exp 6/2021
Tate Stull, The Crossings at Carlsbad	Term Expires 1/2021
Robert Rauch, Carlsbad By the Sea	Term Expires 1/2021
Brian Hughes, Omni La Costa Resort and Spa	Term Expires 6/2021

Hotels Participating in the District

Hotels wishing to participate in the district may opt in on an annual basis by submitting a letter in writing to the city by May 1 of each year to participate for the next fiscal year starting on July 1. There are currently six hotels in the district.



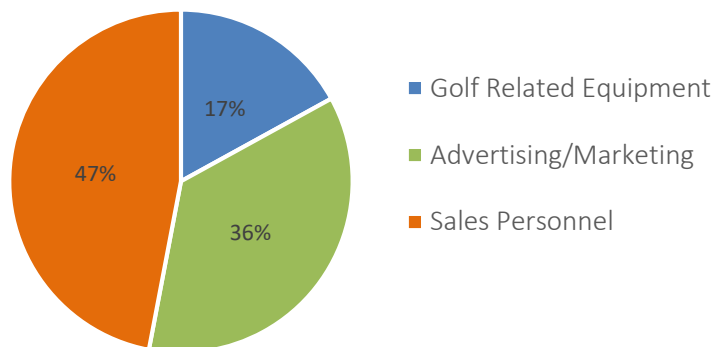
History of Budget by Year



Accomplishments and Results 2018-19

Each lodging business assessed by the Carlsbad Golf Lodging Business Improvement District shall submit a quarterly accounting of expenses for Carlsbad Golf Lodging Business Improvement District activities to the advisory board. Upon approval by the advisory board, the city shall reimburse each business for Carlsbad Golf Lodging Business Improvement District activity related expenses in an amount not to exceed the amount of assessment collected from that business minus the four percent (4 %) administrative fees. Funds remaining at the end of the Carlsbad Golf Lodging Business Improvement District term may be used in subsequent years. Below are the amounts reimbursed by assessments during 2018-19.

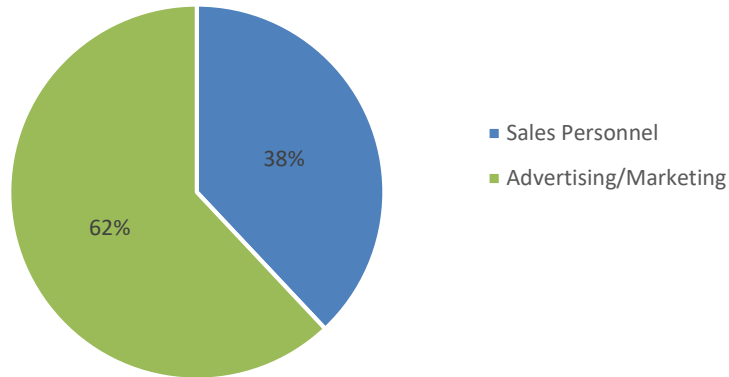
Omni La Costa Resort and Spa Expenditures \$235,353



Omni La Costa Resort and Spa Efforts	Omni La Costa Resort and Spa Results
Third Quarter 2018 <ul style="list-style-type: none"> Added new signage to snack bars and replaced worn signage on the practice range Added new branded signs for the range including partners True Spec and Dave Pelz Golf Added water feature to Hole 16 on Champions Course to improve aesthetics Created new golf brochure Promoted walking at La Costa with new walking bags for our rental clubs Ad campaign with Golfweek 	Third Quarter Results <ul style="list-style-type: none"> Champions Course Ranked #20 In California by Golfweek Outside Rounds 681 YOY

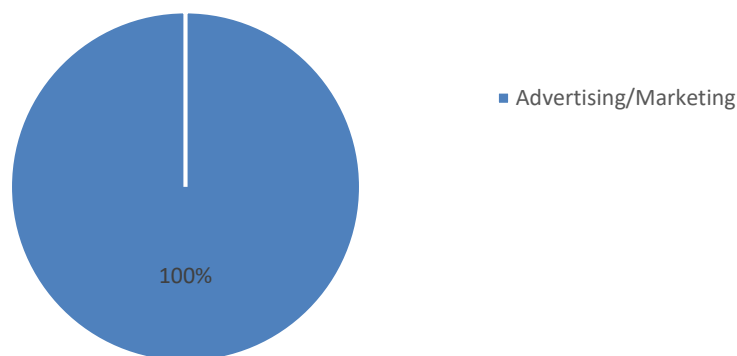
Omni La Costa Resort and Spa Efforts	Omni La Costa Resort and Spa Results
<p>Fourth Quarter 2018</p> <ul style="list-style-type: none"> • Promoted La Costa Golf at Omni Chicago with putting green on sidewalk • Continued ad campaign with California Golf & Travel • Implemented new lesson booking software • Enhanced golf outings with new sound system to play music • Updated hole by hole flyovers on website • La Costa member outing at The Crossings 	<p>Fourth Quarter Results</p> <ul style="list-style-type: none"> • Outside Rounds +350 YOY • Overall Rounds +2000 • For 2018 vs 2017, Instruction Revenue+\$10k YOY
<p>First Quarter 2019</p> <ul style="list-style-type: none"> • Replaced two bridges on Hole 14 to enhance aesthetics • Updated golf brochure • Continued ad campaign with California Golf & Travel • Launched Phat Scooters (first course in So Cal to offer them) 	<p>First Quarter 2019 Results</p> <ul style="list-style-type: none"> • Q1 Golf Revenue +\$53k YOY
<p>Second Quarter 2019</p> <ul style="list-style-type: none"> • Added podium in staging area • Added another bag rack and furniture at the practice range • Enhanced group golf outings w/ live scoring feature using 65" TV and Amazon Fire Stick • Purchased rights to use Golf Digest 2019 Logo for our Editor's Choice Award for Best Golf Resorts in California 	<p>Second Quarter 2019 Results</p> <ul style="list-style-type: none"> • Resort named to 2019 list of "Best Golf Resorts in California" joining Pebble Beach, Torrey Pines, La Quinta and Corevalle • Q2 Golf Revenue +\$126K YOY

Park Hyatt Aviara Resort Expenditures \$180,937



Park Hyatt Aviara Resort Efforts	Park Hyatt Aviara Resort Results
Total Group related room nights attributable to Pro Am clients that booked Park Hyatt Aviara because of the KIA Classic	2018 – 4,072 room nights 2019 – 4,324 room nights
KIA Classic produced in 2019	Attendance 45,084 <ul style="list-style-type: none"> Tax revenues on ticket sales, merchandise and F&B purchases TV Viewership <ul style="list-style-type: none"> Domestic: 143,100 International: 242,590,350 In telecast Exposure Media Equivalency <ul style="list-style-type: none"> \$742,595
Golf Related PR equivalent	Q2 2018 – Reach of 2,000 people Q3 2018 – Reach of 5,000 people
Golf Package room nights	2018 – 951 room nights 2019 YTD – 268 room nights
Kia Classic bounce back cards	2018 – 853 golf rounds 2019 YTD – 228 golf rounds
Club Essentials Aviara Golf website bookings	2018 – 3,638 golf rounds 2019 YTD – 1,502 golf rounds
Golf Sales Manager Salary Group golf rounds	Q1 2019 – 1,111 golf rounds Q4 2018 – 943 golf rounds Q3 2018 – 789 golf rounds Q2 2018 – 1,254 golf rounds

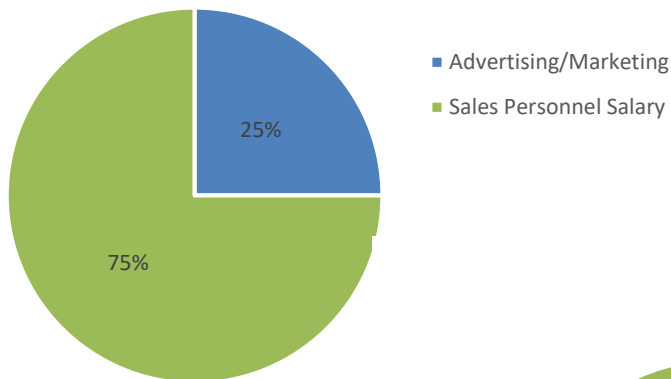
Carlsbad By the Sea Expenditures \$58,657



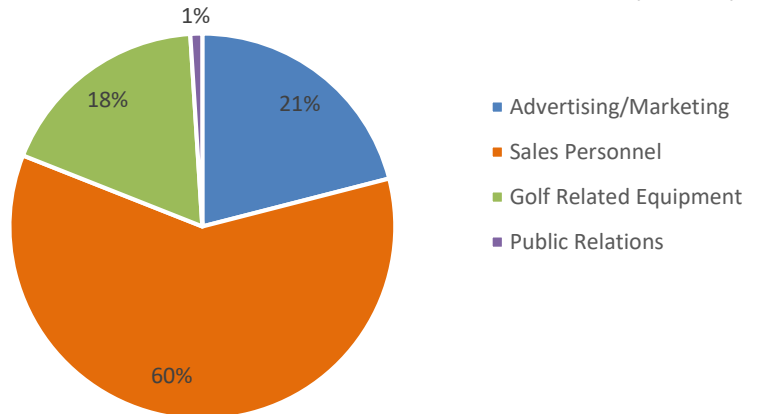
Carlsbad By the Sea Efforts	Carlsbad By the Sea Results
AAA/Westways Stay and Play Ads <ul style="list-style-type: none"> Western region 1/2 page ad focusing on golf package Included digital format and outbound email campaign 	<ul style="list-style-type: none"> Direct golf package bookings were less than 10 Good branding reach overall to the millions of club members in the west AAA bookings overall are up year over year
KIA Classic Women's Leadership Day Luncheon sponsor <ul style="list-style-type: none"> Event signage, distributed promotion materials with golf package link, preferred lodging partner for vendors, caddies etc, Gained direct access to 250 North County Women Business leaders 	<ul style="list-style-type: none"> Received about 50 room nights resulting from preferred partner hotel status Have contact info of business leaders who attended this event and have been actively pursuing BT and group from these companies Actual and potential revenue is about \$10K to \$30K
Promotional Items <ul style="list-style-type: none"> Beach balls, branded water, lip balm and water bottles All items distributed as part of events listed above, sales clients and guests on property Each item features golf package link 	<ul style="list-style-type: none"> No measurable revenue

Grand Pacific Resorts (three resorts) Expenditures \$286,712

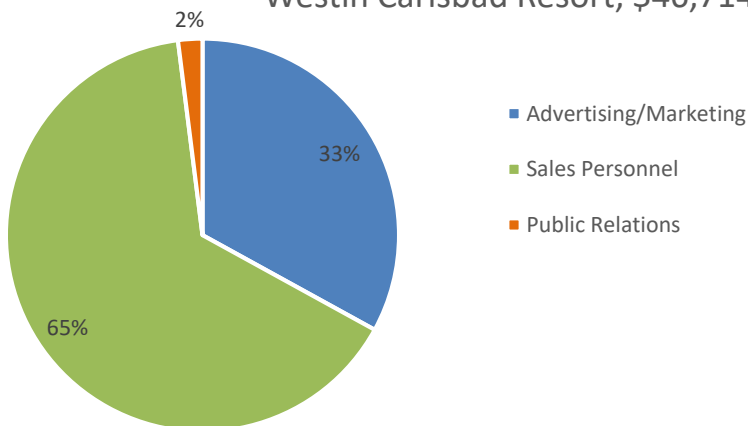
Grand Pacific Palisades, \$58,999



Sheraton Carlsbad Resort, \$180,999



Westin Carlsbad Resort, \$46,714



Grand Pacific Resorts Efforts	Grand Pacific Resorts Results
<p>Sales staff efforts (including trade shows)</p> <ul style="list-style-type: none"> The sales staff of six, including a dedicated Golf Sales Manager actively sold The Crossings in nearly all sales interactions. Represented at 32 Travel Trade Shows 	<ul style="list-style-type: none"> Of the over 400 site inspections and 15 client events held, sales collateral for each of the resorts prominently featured The Crossings Trade shows provided extensive exposure for the course and featured golf-oriented team building activities for The Crossings
<p>Direct Media – Print & Digital</p> <p>The Crossings was extensively featured in both print and digital advertisements.</p> <ul style="list-style-type: none"> The course was placed in Golfing Southern California, Nevada, and Palm Springs, as well as Las Vegas Golf & Leisure Digital Banners and Travel Ads were also a focus The Crossings was also featured in both Travel and Golf Zoo promotions. 	<ul style="list-style-type: none"> Average print media readership 200,000 Generated over 300,000 impressions on digital banners and ads.
<p>Public Relations</p> <p>The Crossings was strongly promoted in each of the resort's public relations launches.</p>	<p>Media mentions</p> <ul style="list-style-type: none"> Tod Leonard (Union-Tribune) John Strege (Golf Digest) Scott Kramer (PGA Magazine) Jonathan Coe (SCGA Magazine) Dennis Paulson (PGA Tour Radio) Randy Youngman (Southern California Golf Magazine) Scott Kaplan (1090 Radio) Darren Smith (1090 Radio)
<p>Brand & Website</p> <p>The Crossings had dedicated web pages with both the Westin and Sheraton Carlsbad Resort web pages on Marriott.com. The Marriott brand has over 125 million Bonvoy Members that are provided communications about the Carlsbad resorts.</p>	<p>Website visits</p> <ul style="list-style-type: none"> 525,000 visits to Westin Carlsbad website 340,000 visits to the Sheraton Carlsbad website