

**Carlsbad Golf Lodging Business Improvement District (CGLBID)**  
**Annual Report**  
**2015-2016**

**Method of Assessment:** The CGLBID includes all hotel businesses in the City of Carlsbad that have elected to participate in the district. The assessment shall be levied on all hotel businesses, that have elected to participate in the district, within the City of Carlsbad based upon a flat fee of \$2.00 per occupied room per night for all transient occupancies as defined in section 3.12.020(7) of the Carlsbad Municipal Code. The amount of assessment shall be separately stated from the amount of the rent and other taxes charged, and each transient shall receive a receipt for payment from the operator. The assessment will be remitted monthly, based on \$2.00 per occupied room per night in revenues for the previous month.

**Assessment Funding Purpose:** The proceeds of the CGLBID assessment shall be spent to promote golf-related tourism within the boundaries of the CGLBID, as well as marketing related capital improvements such as golf-related signage, golf related equipment and to pay for related administrative costs.

**2014-15 Work Plan:** The CGLBID was established in January 1, 2013. For the initial period the district, Fiscal Year 2012-2013 (1/1/13-6/30/13) and the next fiscal year 2013-14, three hotels; the Sheraton Carlsbad, the Park Hyatt Aviara and the Grand Pacific Palisades Hotel, opted into the district. In 2014-15 the Carlsbad by the Sea Resort opted into the district. These four hotels are expected to collect a total of \$445,000 in CGLBID Assessments in Fiscal Year 2014-15. Each assessed business determines how to spend the funds collected by their respective property provided the expenditures are for an approved golf related expense. Reimbursement of these expenses are made quarterly upon approval from the advisory board up to the amount collected per property minus administrative fees. The administrative fees pay for the collection of assessments and administration of the district. Monies not spent by the end of the fiscal year will carry forward to the next fiscal year.

For Fiscal Year 2015-16, no additional hotels have elected to participate in the district so the district will include the same four hotels as Fiscal Year 2014-15. It is estimated that these four hotels will collect a total of \$450,000 in CGLBID assessments. Based on this revenue estimate, the budgeted amount for reimbursement to the hotels is \$432,000. This amount plus any carry forwards from the previous fiscal year will be available to the assessed hotels for reimbursement. Administrative fees for Fiscal Year 2015-16 are budgeted at \$18,000, which is 4% of the revenues.

Detail of the 2015-16 budget is shown on the following page.

**2015-16 CGLBID Budget**

Program Areas	Description	2012-13 Actuals	2013-14 Actuals	2014-15 Budget	Actuals as of 4/30/2015	Projected 2014-15 Actuals	Recommended 2015-16 Budget
Carryover Fund Balance		\$0	\$7,900	\$158,637	158,637	158,637	152,491
<u>Revenues:</u>							
CGLBID Assessment *	\$2 per room night	135,156	354,525	420,000	327,812	445,000	450,000
Interest Earnings		-66	1,348		585	100	0
Total Estimated Revenues		135,090	355,873	420,000	328,397	445,100	450,000
<u>Expenditures:</u>							
2% Admin. Fee - City	For collection of CGLBID assessment and accounting for CGLBID - 2% of CGLBID assessment revenue	2,703	7,090	8,400	6,414	8,900	9,000
Reimbursements	Reimbursement to member hotels for golf related expenditures	121,651	192,095	532,705	433,446	433,446	432,000
Staff support	Staff support to the CGLBID - 2% of CGLBID assessment revenue	2,836	5,951	8,400	6,702	8,900	9,000
Total Expenses		127,190	205,136	549,505	446,562	451,246	450,000
<b>Ending Fund Balance</b>	Contingency for Revenue shortfall	\$7,900	\$158,637	\$29,132	\$40,472	152,491	152,491

\* Member hotels for FY2012-13 and FY 2013-14 include Sheraton Carlsbad, Park Hyatt Aviara and Grand Pacific Palisades.

\* Member hotels for FY2014-15 and FY 2015-16 include Sheraton Carlsbad, Park Hyatt Aviara, Grand Pacific Palisades, and Carlsbad by the Sea Resort.