

**Carlsbad Tourism and Business Improvement District (CTBID)
Annual Report
2014-2015**

Method of Assessment: The CTBID includes all hotel businesses located within the CTBID boundaries. The assessment shall be levied on all hotel businesses, existing and future, within the City of Carlsbad based upon a flat fee of \$1.00 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 \$1.00 per occupied room per night in revenues for the previous month.

Assessment Funding Purpose: To administer marketing and visitor programs to promote the City of Carlsbad as a tourism visitor destination and to fund projects, programs, and activities, including appropriate administrative charges, that benefit hotels within the boundaries of the District.

2014-15 Work Plan: Last fiscal year, the CTBID contracted with Carlsbad Convention and Visitors Bureau (dba VisitCarlsbad) to provide tourism marketing services for Carlsbad. In addition, \$50,000 in grants were awarded to fund projects and events to increase the overnight stays in Carlsbad hotels and \$43,000 was spent to cover half the cost of a Tourism Study.

The CTBID 2014-15 budget includes \$755,520 in funding for VisitCarlsbad. The services provided will focus primarily on driving demand in the leisure market and secondarily in the meetings market. The majority of this will be done by interactive marketing. They will also contract with a public relations firm to work on branding Carlsbad. Funding also includes managing the visitor center and publications. The VisitCarlsbad Board will review the CTBID grant applicants and make the funding recommendations, for which there is \$50,000 allocated this year, to the CTBID Board. The budget includes a \$150,000 contingency which will be allocated by the CTBID Board upon the completion of the tourism study.

Detail of the 2014-15 budget is shown on the following page.

2014-15 CTBID Budget

Program Areas	Description	2011-12 Actuals	2012-13 Actuals	2013-14 Budget	2013-14 Actuals as of 3/31/14	Projected 2013-14 Actuals	Recommended 2014-15 Budget
Carryover Fund Balance		\$62,678	\$113,074	\$140,276	140,276	140,276	211,851
<u>Revenues:</u>							
CTBID Assessment	\$1 per room night	856,708	909,865	925,000	739,282	950,000	960,000
Interest Earnings		1,276	170		1,705	1,700	
Prior Year refunds		(12,135)					
Total Estimated Revenues		845,849	910,035	925,000	740,987	951,700	960,000
<u>Expenditures:</u>							
2% Admin. Fee - City	2% of CTBID assessment revenue, for collection of CTBID assessment and accounting for CTBID	17,124	18,204	18,500	14,778	19,000	19,200
CCVB Payment	To operate visitor center, market and promote Carlsbad	744,576	800,000	750,000	605,625	750,000	755,520
Staff support	Staff support to the CTBID	14,753	16,148	18,000	11,963	18,000	18,000
CTBID Grants	Grant program established by CTBID Board	19,000	48,480	150,000	25,000	50,000	50,000
Tourism Study	CTBID sharing cost 50/50 with City	-	0	0	0	43,125	
Contingency	TBD by the CTBID Board upon completion of Tourism Study	-	0	0	0	0	150,000
Total Expenses		795,453	882,832	936,500	657,366	880,125	992,720
Ending Fund Balance	Contingency for Revenue shortfall	\$113,074	\$140,276	\$128,776	\$223,897	211,851	179,131

* The Carlsbad Convention and Visitors Bureau is the corporate entity. The Bylaws have been changed during 2009 to an organization that now has seven Board members and the dba "Visit Carlsbad".