

**Carlsbad Tourism and Business Improvement District (CTBID)
Annual Report
2018-2019**

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.

2017-18 Work Plan: Last fiscal year, the CTBID contracted with Carlsbad Convention and Visitors Bureau (dba Visit Carlsbad) to provide tourism marketing services for Carlsbad. In addition, \$110,000 in grants were awarded to fund projects and events to increase the overnight stays in Carlsbad hotels.

The CTBID 2018-19 budget includes \$1,266,600 in funding for Visit Carlsbad. The services provided will focus primarily on driving demand in the leisure market during the off peak season. The majority of this will be done by interactive marketing and group sales. For the first time, Visit Carlsbad will also be conducting a Spring integrated advertising campaign. Visit Carlsbad will contract with a public relations firm to continue branding Carlsbad. Funding also includes managing the visitor center and publications. The Visit Carlsbad Board will review the CTBID grant applicants and make the funding recommendations, for which there is \$200,000 allocated this year, to the CTBID Board.

Detail of the 2018-19 budget is shown on the following page.

2018-19 Recommended CTBID Budget

Program Areas	Description	2014-15 Actuals	2015-16 Actuals	2016-17 Actuals	2017-18 Budget	2017-18 Actuals as of 4/30/18	Projected 2017-18 Actuals	Recommended 2018-19 Budget
Carryover Fund Balance		\$280,435	\$537,435	\$655,774	\$722,331	722,331	722,331	647,676
Revenues:								
CTBID Assessment	\$1 per room night	1,104,688	1,167,716	1,205,851	1,200,000	838,274	1,228,000	1,320,000
Interest Earnings		3,778	10,442	1,658		9,012	9,000	
Total Estimated Revenues		1,108,466	1,178,158	1,207,509	1,200,000	847,286	1,237,000	1,320,000
Expenditures:								
2% Admin. Fee - City	2% of CTBID assessment revenue, for collection of CTBID assessment and accounting for CTBID	22,093	23,336	24,116	24,000	16,479	24,560	26,400
CCVB Payment	To operate visitor center, market and promote Carlsbad	766,538	893,463	978,612	1,152,535	830,077	1,152,535	1,266,600
Staff support	Staff support to the CTBID - 2% of revenues	22,835	33,523	19,224	24,000	17,318	24,560	26,400
CTBID Grants	Grant program established by CTBID Board	40,000	109,497	119,000	150,000	33,011	110,000	200,000
Total Expenses		851,466	1,059,819	1,140,952	1,350,535	896,885	1,311,655	1,519,400
Ending Fund Balance	Contingency for Revenue shortfall	\$537,435	\$655,774	\$722,331	\$571,796	\$672,732	647,676	448,276