

**Carlsbad Tourism and Business Improvement District (CTBID)
2019-2020 Report**

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.

2018-19 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 2019-20 budget includes \$1,213,000 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. Visit Carlsbad will also 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 \$75,000 allocated this year, to the CTBID Board.

Detail of the 2019-20 budget is shown on the following page.

2019-20 Recommended CTBID Budget

Program Areas	Description	2016-17 Actuals	2017-18 Actuals	2018-19 Budget	2018-19 Actuals as of 3/18/19	Projected 2018-19 Actuals	Recommended 2019-20 Budget
Carryover Fund Balance		\$655,774	\$722,331	\$696,716	696,716	696,716	481,816
<u>Revenues:</u>							
CTBID Assessment	\$1 per room night	1,205,851	1,246,944	1,320,000	892,642	1,320,000	1,360,000
Interest Earnings		1,658	2,535		19,377	19,500	
Total Estimated Revenues		1,207,509	1,249,479	1,320,000	912,019	1,339,500	1,360,000
<u>Expenditures:</u>							
2% Admin. Fee - City	2% of CTBID assessment revenue, for collection of CTBID assessment and accounting for CTBID	24,116	24,896	26,400	15,893	26,400	27,200
CCVB Payment	To operate visitor center, market and promote Carlsbad	978,612	1,130,216	1,391,600	828,374	1,391,600	1,213,000
Staff support	Staff support to the CTBID - 2% of revenues	19,224	16,972	26,400	9,367	26,400	27,200
CTBID Grants	Grant program established by CTBID Board	119,000	103,011	200,000	15,000	110,000	75,000
Total Expenses		1,140,952	1,275,095	1,644,400	868,634	1,554,400	1,342,400
Ending Fund Balance	Contingency for Revenue shortfall	\$722,331	\$696,716	\$372,316	\$740,101	481,816	499,416