

**Carlsbad Golf Lodging Business Improvement District (CGLBID)  
2021-2022 Annual Report**

**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 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.

**2020-21 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 fiscal year 2014-15, the Carlsbad by the Sea Resort opted into the district, in fiscal year 2017-18, Omni La Costa Resort opted into the district, in fiscal year 2018-19, the Westin Carlsbad Resort opted into the district, and in fiscal year 2020-21, the Cape Rey Beach Hilton Resort and the Hilton Garden Inn opted into the district. These eight hotels are expected to collect a total of \$325,000 in CGLBID Assessments in fiscal year 2020-21. Due to the closure of many of the hotels during fiscal year 2020-21 due to COVID, expenditures for fiscal year 2020-21 are only estimated to be \$202,000.

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 2021-22, it is estimated that these eight hotels will collect a total of \$650,000 in CGLBID assessments. Based on this revenue estimate and the carryforward amounts from the previous fiscal year, the budgeted amount for reimbursement to the hotels is \$800,000. This amount will be available to the assessed hotels for reimbursement. Administrative fees and staff support for fiscal year 2021-22 are budgeted at \$26,000, which is 4% of the revenues.

Detail of the fiscal year 2021-22 budget is shown on the following page.

**2021-22 CGLBID Budget**

Program Areas	Description	2017-18 Actuals	2018-19 Actuals	2019-20 Actual	2020-21 Budget	Actuals as of 4/30/2021	Projected 2020-21	Recommended 2021-22 Budget
Carryover Fund Balance		\$136,587	\$344,804	\$291,861	\$172,432	172,432	172,432	295,272
<u>Revenues:</u>								
CGLBID Assessment *	\$2 per room night	681,703	719,740	534,264	500,000	237,545	325,000	650,000
Interest Earnings		-805	11,142	6,154		-1,151		0
Total Estimated Revenues		680,898	730,882	540,418	500,000	236,394	325,000	650,000
<u>Expenditures:</u>								
2% Admin. Fee - City	For collection of CGLBID assessment and accounting for CGLBID - 2% of CGLBID assessment revenue	13,633	14,394	10,684	10,000	4,071	6,500	13,000
Reimbursements	Reimbursement to member hotels for golf related expenditures	451,341	761,651	641,382	500,000	189,660	189,660	800,000
Staff support	Staff support to the CGLBID - 2% of CGLBID assessment revenue	7,707	7,780	7,781	10,000	4,106	6,000	13,000
Total Expenses		472,681	783,825	659,847	520,000	197,837	202,160	826,000
<b>Ending Fund Balance</b>	Contingency for Revenue shortfall	\$344,804	\$291,861	\$172,432	\$152,432	\$210,989	295,272	119,272

Member Hotels opting into the District:

\* FY2014-15 - Sheraton Carlsbad, Park Hyatt Aviara, Grand Pacific Palisades, and Carlsbad by the Sea Resort.

\* FY2017-18 - Omni La Costa Resort.

\* FY2018-19 - Westin Carlsbad Resort.

\* FY2020-21 - Hilton Garden Inn, and Cape Rey Beach Hilton Resort.