

**Carlsbad Tourism and Business Improvement District (CTBID)
Annual Report
2017-2018**

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.

2016-17 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, \$99,000 in grants were awarded to fund projects and events to increase the overnight stays in Carlsbad hotels.

The CTBID 2017-18 budget includes \$1,077,535 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 \$150,000 allocated this year, to the CTBID Board.

Detail of the 2017-18 budget is shown on the following page.

2017-18 Recommended CTBID Budget

Program Areas	Description	2014-15 Actuals	2015-16 Actuals	2016-17 Budget	2016-17 Actuals as of 4/30/17	Projected 2016-17 Actuals	Adopted 2017-18 Budget
Carryover Fund Balance		\$280,435	\$537,435	\$655,774	655,774	655,774	691,062
<u>Revenues:</u>							
CTBID Assessment	\$1 per room night	1,104,688	1,167,716	1,160,000	998,009	1,155,000	1,200,000
Interest Earnings		3,778	10,442		2,735	4,200	
Total Estimated Revenues		1,108,466	1,178,158	1,160,000	1,000,744	1,159,200	1,200,000
<u>Expenditures:</u>							
2% Admin. Fee - City	2% of CTBID assessment revenue, for collection of CTBID assessment and accounting for CTBID	22,093	23,336	23,200	19,959	23,100	24,000
CCVB Payment	To operate visitor center, market and promote Carlsbad	766,538	893,463	978,612	817,707	978,612	1,077,535
Staff support	Staff support to the CTBID - 2% of revenues	22,835	33,523	23,200	13,184	23,200	24,000
CTBID Grants	Grant program established by CTBID Board	40,000	109,497	200,000	44,000	99,000	150,000
Total Expenses		851,466	1,059,819	1,225,012	894,850	1,123,912	1,275,535
Ending Fund Balance	Contingency for Revenue shortfall	\$537,435	\$655,774	\$590,762	\$761,668	691,062	615,527