

CITY OF CORONADO



CORONADO TOURISM IMPROVEMENT DISTRICT PROGRAM SUMMARY

On June 15, 2010, the City Council adopted Ordinance No. 2013 to formally establish the Coronado Tourism Improvement District (CTID). The CTID goes into effect on July 16, 2010, and is addressed in Chapter 16.14 of the Coronado Municipal Code.

The CTID is a benefit assessment district and was established under the Parking and Business Improvement Area Law of 1989 (Streets and Highways Code Section 36500 et seq.) As provided in the 1989 Law, its purpose is to *"provide a method for financing public programs to attract tourist visits to areas where tourism is economically important and desired."* Highlights and details of the CTID are provided below:

Boundaries: The boundaries of the CTID include the entire city limits.

Assessed

Businesses: The assessed businesses of the CTID include hotels with **90 or more** rooms within the city limits of the City of Coronado. This includes the Hotel del Coronado, Loews Coronado Bay Resort, Coronado Island Marriott Resort and the Glorietta Bay Inn.

These four hotels comprise 82% of the total number of rooms available in Coronado and generate approximately 94% of the City's total transit occupancy tax (TOT) revenues each year.

Services: The CTID will fund activities authorized under the 1989 Law. Specifically, this will include various marketing and promotions to increase tourism and market the City of Coronado as a tourism and retail destination.

Method of Financing:

The CTID assessment rate will be a one-half percent (0.5%) surcharge on the "gross room revenues" from hotels with 90 rooms or more. The assessment goes into effect July 16, 2010.

Anticipated Proceeds:

It is estimated that the CTID will generate approximately \$500,000 annually. The CTID will operate on a fiscal year basis commencing on July 1 and ending on June 30.

Governance: A nine-member un-paid CTID Advisory Board has been established to report to the City Council regarding the implementation and operation of the CTID. A quorum of five members is required to conduct CTID business. The composition of the Advisory Board is as following:

- A representative appointed by each of the four assessed hotels: Hotel del Coronado, Glorietta Bay Inn, Loews Coronado Bay Resort and Marriott's Coronado Island Resort.
- A representative from the boards of the Chamber of Commerce, Coronado MainStreet, Ltd., and Coronado Historical Association/Visitors Center.
- Two members at-large, appointed by the City Council.

Legal

Compliance: The meetings of the CTID Advisory Board will be held in compliance with the public noticing and other requirements of the Ralph M. Brown Act (Government Code §54950 et seq.). The CTID Advisory Board and its Administrator shall keep records in compliance with the California Public Records Act, Government Code §6250 et seq.

Duration: The CTID goes into effect on July 16, 2010 for an initial one year period. Since the CTID was formed under the 1989 Law, the CTID must be reauthorized by the City Council for each fiscal year thereafter, unless and until the CTID is disestablished pursuant to state law.

Annual

Report: The Advisory Board will submit an Annual Report to the City Council detailing revenues and expenditures for the prior and upcoming fiscal year and proposing changes, if any. The Annual Report is to be presented during April 2011. The City Council will adopt a resolution approving the Annual Report and reauthorizing the levying of the assessment for the new fiscal year. The City Council may, at its discretion, modify certain elements of the Annual Report or disestablish the CTID.