



Concord Tourism Improvement District 2022-2023 Annual Management Plan Report

Submitted to the City of Concord pursuant to Streets and Highways Code section 36650, for the period from July 1, 2022 through June 30, 2023

Period July 1, 2022 – June 30, 2023

Contents

Boundaries	3
Improvements and Activities	4
<i>Sales and Marketing</i>	4
<i>Administration and Operations</i>	4
<i>Collection Fee</i>	5
<i>Contingency/Renewal</i>	5
Cost.....	5
<i>2022-2023 Projections</i>	5
<i>2021-2022 Actuals</i>	6
Assessment.....	6
<i>Assessment</i>	7
<i>Delinquencies</i>	8
Surplus and Other Funding	8
<i>Surplus</i>	8
Appendix – Assessed Businesses	9

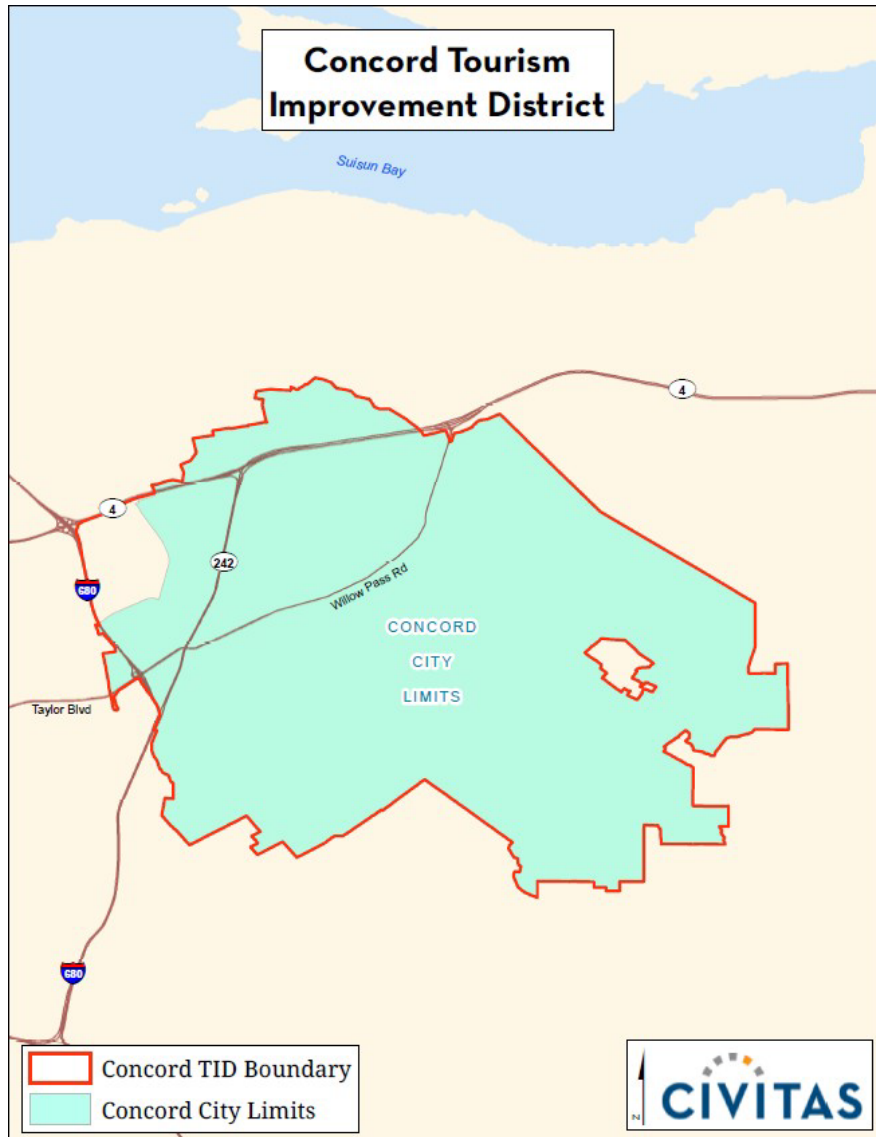
December 1, 2022

Prepared by
Visit
Concord

Boundaries

There are no proposed changes to the boundaries. The CTID will include all lodging businesses with more than thirty (30), existing and in the future, available for public occupancy within the boundaries of the City of Concord and that portion of the County of Contra Costa bound by the Concord City limits and Interstate 680 and Highway 4, as shown on the map below.

The boundary, as shown in the map below, currently includes 9 lodging businesses. A listing of lodging businesses within the renewed CTID can be found in the Appendix.



Improvements and Activities

The improvements and activities to be provided for 2023 are consistent with the Management District Plan, however the total budget declined to 65% of the 2019 assessment received due to hotels recovering from use as shelters for extended periods, meetings and events not allowed during the pandemic, and continued workforce staffing issues in the hospitality industry.

New Campaigns and Initiatives

- 2022 - Creative Concord Arts & Culture campaign includes 9 mural and 17 events;
- 2023 - Promote sustainable travel and sensory accessible travel options in hotels and City through new initiatives

Sales and Marketing

- Online marketing efforts to increase awareness and optimize media presence;
- Building community partnerships to support local events, highlights activities and awareness of Concord to encourage travelers to come and stay in a hotel;
- Digital and Print ads in select publications targeting potential visitors;
- Enhance website to increase awareness of Concord;
- Multi-media and radio ads targeted at potential visitors;
- Attendance at trade shows;
- Maximize marketing co-op relationships with other DMOs including Mt. Diablo Region, Napa and Sonoma Valleys, Yosemite, and Southern California cities;
- Maximize relationships with Visit California, San Francisco Travel and CalTravel;
- Sponsorship and promotion of sports and other events which attract overnight visitors
- Sales blitzes;
- Familiarization tours with planners, bloggers, and travel writers;
- Development of promotional materials such as digital and print brochures, flyers and maps;
- Develop and maintain relationships to promote diversity and inclusion;
- Promote sustainable travel and sensory accessible travel through new initiatives;
- Attendance at professional industry conferences and affiliation events;
- Education of hospitality staff on service, safety and marketing strategies designed to create a visitor experience that will bring repeat visits;
- Public and media outreach, pitching the Concord area for tourism opportunities;
- Promotion of Visitor Center to attract visitors to Concord;
- Create and promote event campaigns specific to the pillars of Concord

Administration and Operations

The administrative and operations portion of the budget shall be utilized for administrative staffing costs, office costs, and other general administrative costs such as insurance, legal, and accounting fees.

Collection Fee

The City of Concord shall be paid a fee equal to one percent (1%) of the amount of assessment collected to cover its costs of collection and administration.

Contingency/Renewal

In order to ensure effective provision of services, a contingency will be established to account for uncollected assessments or unanticipated program costs. If there are contingency funds collected, they may be held in a reserve fund or utilized for other program, administration or renewal costs at the discretion of Visit Concord. Policies relating to contributions to the reserve fund, the target amount of the reserve fund,

and expenditure of the reserve fund shall be set by Visit Concord. The reserve fund may be spent on programs described in this Plan in any proportion deemed appropriate by Visit Concord. The Board is prepared to utilize the reserve funds as needed for recovery marketing in 2022-2023.

Cost

2022-2023 Projections

The cost of providing improvements and activities for 2022-2023 is consistent with the Management District Plan. The total budget declined to 65% of the 2019 assessment received due to hotels recovering from use as shelters for extended periods, meetings and events not allowed during the pandemic, and continued workforce staffing issues in the hospitality industry.

The anticipated total budget for 2022-2023 is \$ 783,732 in anticipated collections and \$ 522,885 in net assets, for a total budget of \$ 1,306,617. The categorical breakdown is below. All budget category allocations are within the authorized fifteen percent (15%) adjustment of the total budget from the prior year. The City fee shown in the table below is calculated only on collections and does not include the carryover amount.

Category	%	FY 22/23 Budgeted \$	% Change	FY 21/22 Fund Balance	Total
Sales & Marketing	80.00%	\$626,986	-	\$522,885	\$1,149,871
Administration	15.00%	\$117,560	-	-	\$117,560
Contingency / Reserve	4.00%	\$31,349	-	-	\$31,349
City Fee	1.00%	\$7,837	-	-	\$7,837
Totals	100.00%	\$783,732	n/a	\$522,885	\$1,306,617

2021-2022 Actuals

The projected 2021-2022 budget was \$1,130,237, which was \$ 607,404 in anticipated collections and \$ 522,833 in carry over funds. Actual collections exceeded expectations, totaling \$ 861,968; calculated as \$ 783,732 in 2021-2022 collections, \$ 78,004 in covid relief grants and related, and \$ 232 in investment income.

Budgeted and actual expenses were as shown below. Total 2021-2022 actual expenses and reserved funds equal the total budgeted.

Category	2021 Budgeted		2021 Actual		
	%	\$	%	\$ Spent	\$ Carry Over
Sales & Marketing	-	\$1,002,683	79.00%	\$774,839	\$522,885
Administration	-	\$97,184	17.00%	\$172,419	-
City Fee	-	\$6,074	1.00%	\$6,000	-
Contingency/ Renewal	-	\$24,296	3.00%	\$24,000	-
Totals	100.0%	\$1,130,237	100.0%	\$977,258	\$522,885

Assessment

There is no change in the method and basis of levying the assessment.

Assessment

The annual assessment rate is three percent (3%) of gross short-term room rental revenue on lodging businesses. Based on the benefit received, assessments will not be collected on:

1. Stays for a period of 30 consecutive calendar days or more, counting portions of calendar days as full days; or
2. Stays by any federal or state officer or employee when on official business and when the stay is paid for directly by the United States government or the state. This does not include stays which are paid by the transient and later reimbursed by the entity; or
3. Stays by any officer or employee of a foreign government who is exempt from transient occupancy taxes by reason of express provisions of federal law or international treaty; or
4. Stays pursuant to written contracts executed prior to June 1, 2013. A reservation is not considered a written contract.

The term “gross short term room rental revenue” as used herein means: the consideration charged, whether or not received, for the occupancy of space in a

lodging business valued in money, whether to be received in money, goods, labor, or otherwise, including all receipts, cash, credits, and property and services of any kind or nature, without any deduction therefrom whatsoever. Gross short term room rental revenue shall not include any federal, state or local taxes collected, including but not limited to transient occupancy taxes. The assessment shall not be considered revenue for any purposes, including calculation of transient occupancy taxes.

The assessment is levied upon and a direct obligation of the assessed lodging business. However, the assessed lodging business may, at its discretion, pass the assessment on to customers. The amount of assessment, if passed on to each customer, shall be disclosed in advance and separately stated from the amount of rent charged and any other applicable taxes, and each customer shall receive a receipt for payment from the business. The assessment shall be disclosed as the

“Concord TID.” The assessment is imposed solely upon, and is the sole obligation of the assessed lodging business even if it is passed on to customers.

Bonds shall not be issued.

Delinquencies

Original Delinquency

Any business which fails to remit any assessment due within the time required shall pay a penalty of ten percent (10%) of the amount of the assessment in addition to the assessment.

Continued Delinquency

Any business which fails to remit any delinquent assessment on or before a period of thirty (30) days following the date on which the assessment first became delinquent shall pay a second delinquency penalty of ten percent (10%) of the amount of the assessment, in addition to the amount of the assessment and the ten percent (10%) penalty first imposed.

Fraud

If the City determines that the nonpayment of any assessment is due to fraud, a penalty of twenty-five percent (25%) of the amount of the assessment shall be added thereto, in addition to the penalties stated above.

Interest

In addition to the penalties imposed, any business which fails to remit any assessment due shall pay interest at the rate of one percent (1%) per month, or fraction thereof, on the amount of the assessment, exclusive of penalties, from the date on which the assessment first became delinquent, until paid.

Penalties Merged with Assessment

Every penalty imposed and such interest as accrues shall become a part of the assessment required to be paid.

Surplus and Other Funding

Surplus

The amount of surplus to be carried over from previous years is \$522,885, of which \$522,885 is attributed to sales and marketing programs.

Appendix – Assessed Businesses

Business Name	Address	City, State, ZIP
America's Best Value Inn	3555 Clayton Rd.	Concord, CA 94519
Best Western Plus Heritage Inn	4600 Clayton Rd.	Concord, CA 94521
Clarion Hotel	1050 Burnett Ave.	Concord, CA 94520
Concord Plaza Hotel	45 John Glenn Dr.	Concord, CA 94520
Days Inn Concord	5370 Clayton Rd.	Concord, CA 94521
Hilton Concord	1970 Diamond Blvd.	Concord, CA 94520
Motel 6 Concord	3606 Clayton Rd.	Concord, CA 94521
Premier Inns/E-Z 8	1581 Concord Ave.	Concord, CA 94520
Studio 6 Concord (Extended Stay)	1370 Monument Blvd.	Concord, CA 94520