



AGENDA ITEM SUMMARY

City Council

STAFF

Josh Birks, Deputy Director, Sustainability Services
Ryan Malarky, Assistant City Attorney

SUBJECT

Resolution 2023-098 Approving the 2024 Annual Plan and Proposed Budget of the Fort Collins Tourism Improvement District.

EXECUTIVE SUMMARY

The purpose of this item is to consider a Resolution approving the Fort Collins Tourism Improvement District's 2024 Annual Budget and 2024 Annual Plan, which are attached as Exhibits A and B, respectively, to the proposed Resolution.

STAFF RECOMMENDATION

Staff recommends adoption of the Resolution.

BACKGROUND / DISCUSSION

On August 4, 2021, Council adopted Ordinance No. 097, 2021, establishing the Fort Collins Tourism Improvement District (the "District"). The District's purpose is "...to operate as a [tourism improvement district] charging fees to the lodging businesses included within the District to fund and provide specific tourism services and improvements for the benefit of the feepayers' lodging businesses. These services and improvements will be primarily used to increase room night sales for those lodging businesses." Council adopted the District's Initial Plan as part of establishing the District. The District's Initial Term in the Initial Plan is for 10 years, 4 months beginning on September 1, 2021, and ending December 31, 2031, but the end date was erroneously stated as December 1, 2021. Council subsequently adopted Ordinance No. 161, 2021, amending the Initial Plan to correct the end date of the District so that it ends December 31, 2031. On June 7, 2022, Council adopted Ordinance No. 061, 2022, expanding the TID Board from five to seven members.

District Boundaries

The District's boundaries are coterminous with City limits. All "lodging establishments" within the City limits that fall within the definition of this term as stated in Section 5 of Ordinance No. 097, 2021, are included with the District and pay the fee set by the District.

The District's Role

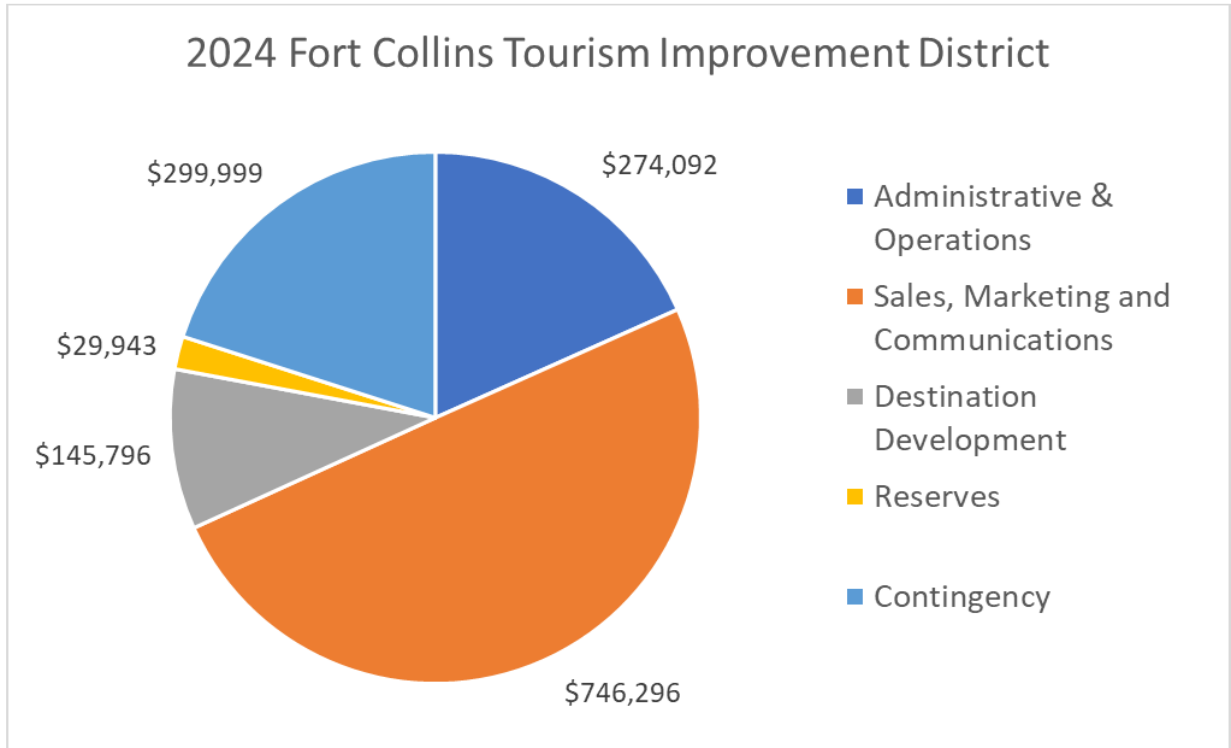
The District provides a sustainable funding source for lodging business owners to organize their efforts and increase room night sales. The District aims to provide sales, marketing, and communication support for members of the District along with destination development to increase room night sales. Some of the activities proposed for 2024 include:

- Establish a Local Conference Champion Program to leverage local contacts (Colorado State University and Corporate) to uncover new lead opportunities.
- Drive demand for meetings and conferences in Fort Collins through qualified lead distribution. Uncover lead opportunities through targeted prospecting and business development, industry event and trade show participation, strategic meetings marketing, partnerships, and enhanced presence in online Request for Proposal (RFP) platforms.
- Create awareness about Fort Collins as a sought-after and unique destination for individual and group travelers through positive publicity, innovative advertising, outstanding marketing and sales collateral, robust digital and social media campaigns and differentiating brand strategy.
- Increase awareness of Fort Collins as a premier, four-season destination through positive news stories and influencer reach.
- To provide extraordinary assistance and information to visitors by enhancing all interactions and aspects of a visitor's experience in Fort Collins while personifying the destination's brand promise.
- Increase communication and connectivity with visitors.
- Support the Sales Team as the primary resource for meetings and conferences. This will allow the Sales Team to focus on selling and provide an avenue for conference services previously not facilitated.
- Maximize strategy and execution opportunities with one Visitor Services Team. Fully cross train and integrate best practice systems.

District Assessment Method and Budget

The District assesses a 3% fee of the lodging establishment's "lodging price" as defined in the City's Lodging Tax Ordinance. The District anticipates generating \$1,500,000 in revenue from the 3% fee in 2024.

The chart below outlines the proposed 2024 budget for the District:



The District has filed with the City its proposed Annual Budget and Annual Plan for 2024. The proposed Resolution, if approved by the Council, would approve the Annual Budget and Annual Plan.

CITY FINANCIAL IMPACTS

This Resolution has no impact on the City’s finances.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

None.

PUBLIC OUTREACH

None.

ATTACHMENTS

- 1. Resolution for Consideration
- 2. Exhibit A to Resolution
- 3. Exhibit B to Resolution