



# Pasadena Tourism Business Improvement District

City Council – TBID Public Meeting

March 6, 2023

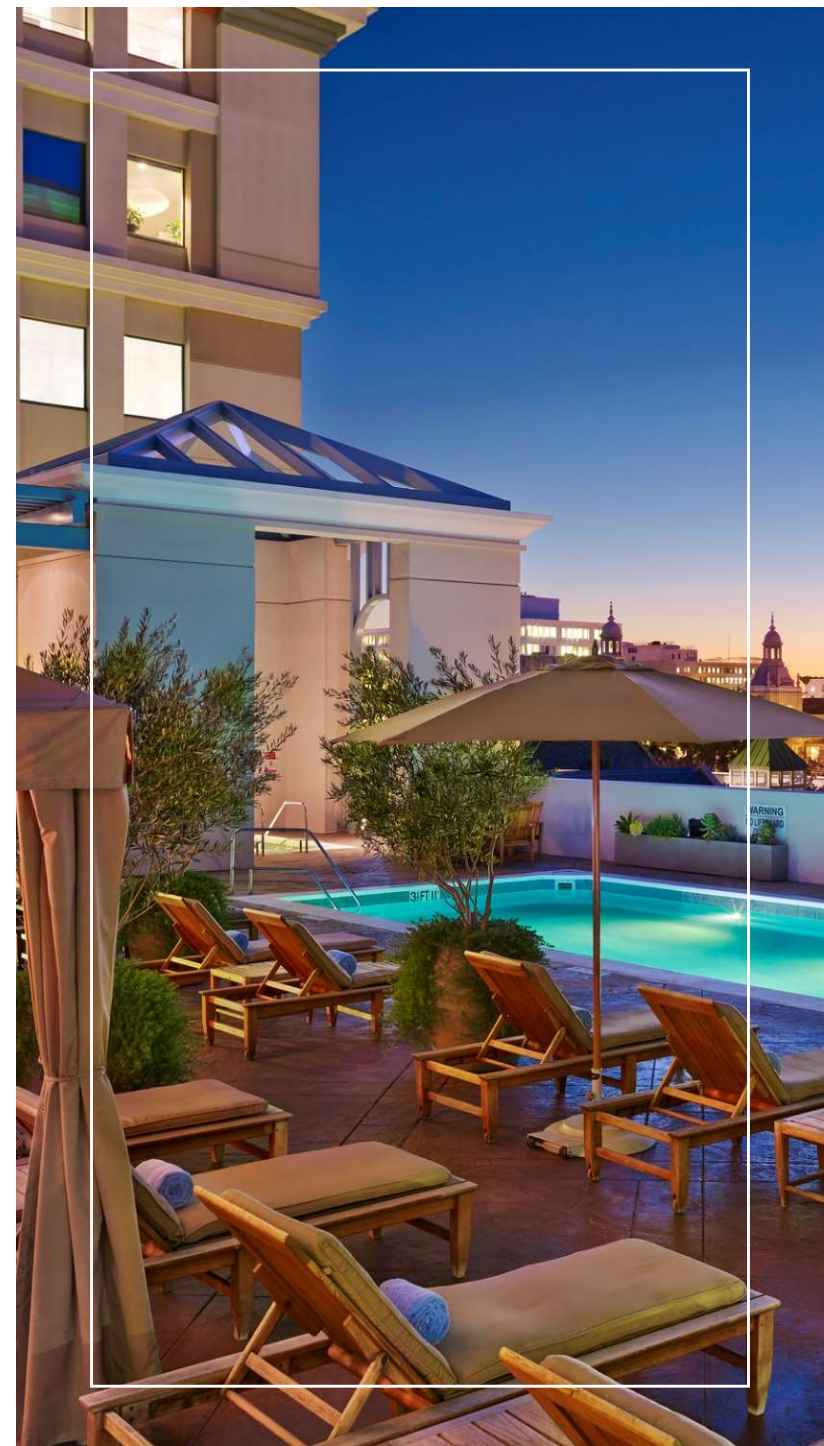
# Pasadena TBID History

- Initially approved by City Council in 2003.
- Purpose was to fund the destination and event marketing efforts that were funded by revenues of the PCOC and the PCOC share of the TOT.
- Freed up those TOT funds to be used for debt service on the new construction of the convention center.



# Pasadena TBID History

- In 2018, during the renewal process, the term moved from an annual renewal to a 5-year renewal.
- TBID funds raised continue to be returned to the CVB to manage and implement its sales and marketing efforts.
- Raised \$3.6 million in FY22 to promote Pasadena as a tourist, meeting and event destination.



# TBID Renewal Timeline

Jan 10: Mailed petition with a stamped return envelope to all Pasadena hotels and permitted Short Term Rental (STR) owners

Jan 20: Emailed all Pasadena hotels and STR owners

Jan 27: Calculated petition results and presented to the City

- A minimum 50% threshold is needed to initiate renewal
- Achieved 81%
- Petitions are weighted based on assessed TBID revenue contributed

Feb 6: City Council Resolution of Intention to Renew

Mar 6: City Council Public Meeting

March 27: City Council Public Hearing

# Recommended Changes to the TBID

The petition included the following changes:

- Boundaries
- Assessment Rate/Budget
- Term

PCOC Board will continue to serve as Owners Association and is charged with managing funds and implementing programs.

# Changes in Boundaries

## Short Term Rentals

- Per City of Pasadena Planning Department, there are approximately 160 permitted short term rentals in the city.
- An estimated \$300,000 - \$400,000 per year will be generated by including STRs.

## Why the change?

- All lodging businesses benefit from the services provided by the City of Pasadena, Pasadena CVB, and the Rose Bowl Stadium.
- 23 CA destinations include STRs in their TBIDs; there is anticipation that STR inclusion will become the best practice as more districts are renewed.

# Assessment Rate & Budget

Current rate: 2.89% of room rental rate

July 1, 2023: 3.89% of room rental rate

July 1, 2024: 4.89% of room rental rate

The anticipated total assessment collected in the first year is \$5M.

## Rose Bowl

The increase to the TBID assessment will be used to support the Rose Bowl sales and marketing efforts to attract events that drive room night revenue to Pasadena hotels and short-term rentals.

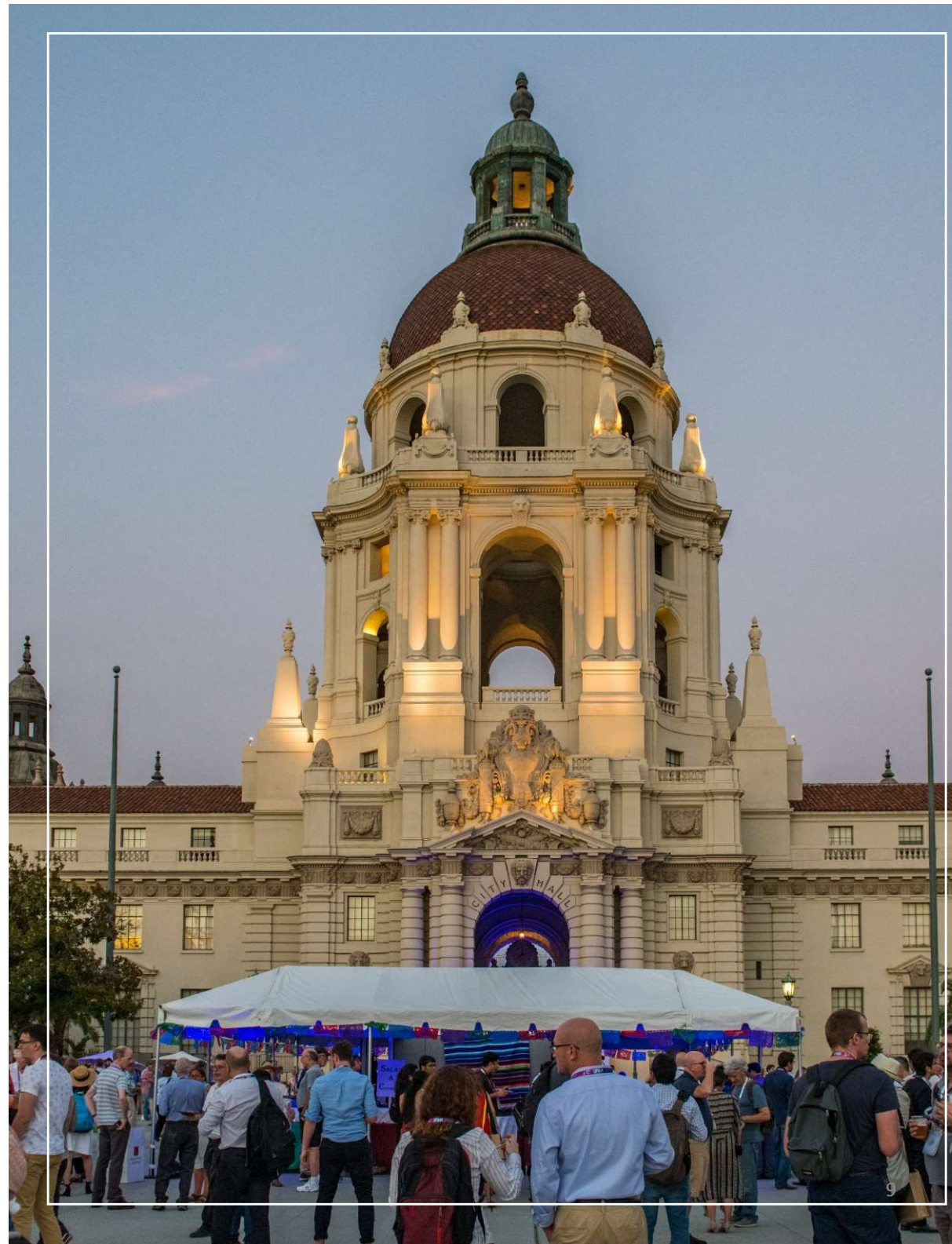
Starting on July 1, 2023, 25.7% of every TBID dollar collected will be directed to the Rose Bowl sales & marketing efforts. In July 2024, that percentage will increase to 40.1%.

# Term

- The current TBID for 2018-2023 allowed for an initial 5-year term.
- The proposed renewal allows for a 10-year term.
- We are recommending a 10-year term, July 2023 through June 2033.



# Questions



# Services

- Pasadena Visitors Guide and Summer Experience Guide
- Pasadena Visitors Center
- VisitPasadena.com website and social media promotions
- Leisure paid advertising campaigns
- Leisure destination media relations

