



Tourism Business Improvement District Renewal Frequently Asked Questions (FAQs) November 25, 2016

What is a Tourism Business Improvement District?

A Tourism Business Improvement District (TBID) is an organization of businesses who work together to bring more visitors to their destination, especially during slower times of the year.

Are there other similar districts throughout California?

Yes. There are now 96 successful TBIDS throughout the State of California. These districts are also called Tourism Marketing Districts (TMDs) and Tourism Improvement Districts (TIDs). The MLTBID was, and still is, the first of its kind to expand from just lodging properties to include other tourism centric businesses in restaurants, retail and ski area lift tickets.

Why put a TBID in place in Mammoth Lakes?

The Mammoth Lakes community has one industry, tourism. More than 73% of the Town of Mammoth Lakes' general fund (operating budget) comes from Transient Occupancy Tax (TOT) and Sales Tax. With competition from other vacation destinations within California and beyond, it is imperative we have a collaborative marketing effort that includes all stakeholders to see Mammoth Lakes grow.

How will the funds be raised for the TBID?

Funds will be raised through a small assessment on sales. Funds are used to provide marketing and promotion to the businesses in the district that will benefit from them. (See the next bullet for details)

What are the details of the proposed Mammoth Lakes TBID?

The TBID will include all lodging, restaurants, retail and Mammoth Mountain lift and ski school sales.

Tier 1

1.0%	Lodging	(Annual Estimate	\$1,200,000)
1.5%	Retail	(Annual Estimate	\$1,100,000)
1.5%	Restaurant	(Annual Estimate	\$1,000,000)
2.0%	MMSA Lift tickets and ski school	(Annual Estimate	\$1,700,000)

Tier 2 Businesses with gross annual revenues between \$50,000 - \$150,000 OR that can show that more than 50% of their business is local will be assessed a once annual \$500 (appeal is required)

Tier 3 Businesses with gross annual revenues \$49,999 and less will be assessed a once annual \$50 (appeal is required)

The estimated annual revenue collected by the TBID assessment will be approximately \$5,000,000

The term of the renewed TBID will be ten (10) years beginning September 1, 2018 and running through August 31, 2028. The Mammoth Lakes TBID is being renewed under the Property and Business Improvement District Law of 1994. The TBID is reviewed annually and may be repealed if 51% (revenue) of the assessed decide it is not providing the benefits expected. When the 10 year term expires in 2028, the TBID may be renewed up to another 10 years or discontinued.

When will collections begin?

The current TBID will continue to run through August 31, 2018. Once the TBID is renewed, businesses will begin collections from customers under the new guidelines on September 1, 2018.

How does a business appeal to be in Tier 2 or 3?

Once the TBID Resolution of Formation is approved by Town Council, appeals can be requested through the ad hoc three member appeal panel made up of Mammoth Lakes Tourism board of directors. More information regarding appeals will be available on www.MLTBID.com. Businesses will be able to appeal between September 1st and October 31st annually for reclassification or to maintain their previously appealed Tier status.

How did you determine the proposed assessments of gross revenue in each business segment?

A Steering Committee comprised of lodging, retail, and restaurant owners/managers arrived at these assessment amounts after careful evaluation of the most effective methods to promote visitation to Mammoth Lakes, and what funds Mammoth Lakes Tourism would be need to achieve their objectives.

Who is going to manage the TBID funds?

The Mammoth Lakes Tourism organization will administer the TBID funds as overseen and directed by the 9 member Mammoth Lakes Tourism Board of Directors, which is comprised of lodging, retail, restaurant owners/managers as well as one representative from Town Council, Mammoth Mountain Ski Area, Chamber of Commerce and two at-large members.

How will the funds be spent?

The funds will be spent as generally outlined in the Management District Plan and specifically detailed in the annual Marketing and Sales Plan. A high level breakdown is listed on the TBID one-Sheet, located on the homepage of this website. The majority of the funding will be spent on marketing and sales efforts to bring people to Mammoth Lakes during slower times of the year (midweek winter, spring and fall shoulder seasons and summer) as well as to maintain air service through paying air subsidies.

Will Mammoth Mountain Ski Area still maintain a strong marketing budget to compliment the TBID?

Mammoth Mountain will continue to maintain their own marketing budgets as well as their focus on increasing visitation. Mammoth Mountain will also participate in all categories (lodging, restaurant, retail and ski lift tickets) of the TBID and are estimated to contribute between \$2.5m and \$3m of the total funds for TBID marketing each year.

What are the benefits of creating a TBID in Mammoth Lakes?

1. It will allow Mammoth Lakes to be competitive with other vacation destinations. More than 96 successful TBIDS have been formed throughout California, including destinations such as Los Angeles, Newport Beach, Napa Valley, Lake Tahoe, San Francisco and San Diego.

2. It will create a secure tourism marketing funding source outside of direct government control.
3. It will create tourism-related jobs in Mammoth Lakes.
4. It will improve the economic development opportunities for Mammoth Lakes
5. It will increase Transient Occupancy Taxes (TOT) for the Town of Mammoth Lakes.
6. It will increase sales tax revenues to the Town of Mammoth Lakes.
7. It will increase overall direct visitor spending at assessed businesses in Mammoth Lakes.
8. It will help reduce shoulder seasons by increasing off-peak visitation

For more information or to ask specific TBID questions please contact John Urdi at:

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