



Approval of the Huntington Beach Tourism Business Improvement District (HBTBID) FY 2025-26 Annual Report

September 16, 2025

Background

- Created in 2014 under CA law.
- Purpose: dedicated funding to attract overnight visitors.
- Benefits: supports hotels, local businesses, and City TOT revenues.
- Funded by a 6% assessment on hotel & STR stays under 30 days.
- District runs through June 30, 2028.
- Annual report required by state law.



HBTBID

- **Who pays?** 21 hotels/motels + ~203 STRs.
- **Rate:** 6% of gross room revenue (under 30 days).
- **Total projected revenue:** ~\$10.3M for FY 2025-26.
- **Collection method:** City collects monthly (hotels) / quarterly (STRs).
- **Use of funds:** By law, revenues must directly benefit the lodging businesses that contribute.
- **Note:** No changes to HBTBID boundaries for FY 2025-26.



Visit Huntington Beach (VHB)

- Visit Huntington Beach (VHB) = the City's official destination marketing organization.
- Nonprofit 501(c)(6).
- Manages HBTBID funds under the Council-approved Management District Plan (MDP).
- Partnership agreement with the City.
- Role: drive overnight stays through marketing, sales, PR, and visitor programs.



**HUNTINGTON BEACH
TOURISM BUSINESS IMPROVEMENT DISTRICT
MANAGEMENT DISTRICT PLAN**

Annual Report & Budget Overview

Annual Report Requirements (per State Law)

- Changes to boundaries or classifications
- Planned programs and improvements with cost estimates
- Assessment collection methods
- Prior year surplus/deficit
- Contributions from other sources

Budget Framework

- Allocations follow Council-approved MDP categories: Sales & Marketing, Tourism Enhancements, Administration, Reserve, City collection
- Non-assessment funds directed to Sales & Marketing (per VHB Board guidance)



FY 2025-26 Work Program (Strategic Plan)

1. Driving Global Brand Awareness

Boost Surf City USA® visibility globally via campaigns, events, influencers, and trade shows.

2. Enhancing Destination Experience

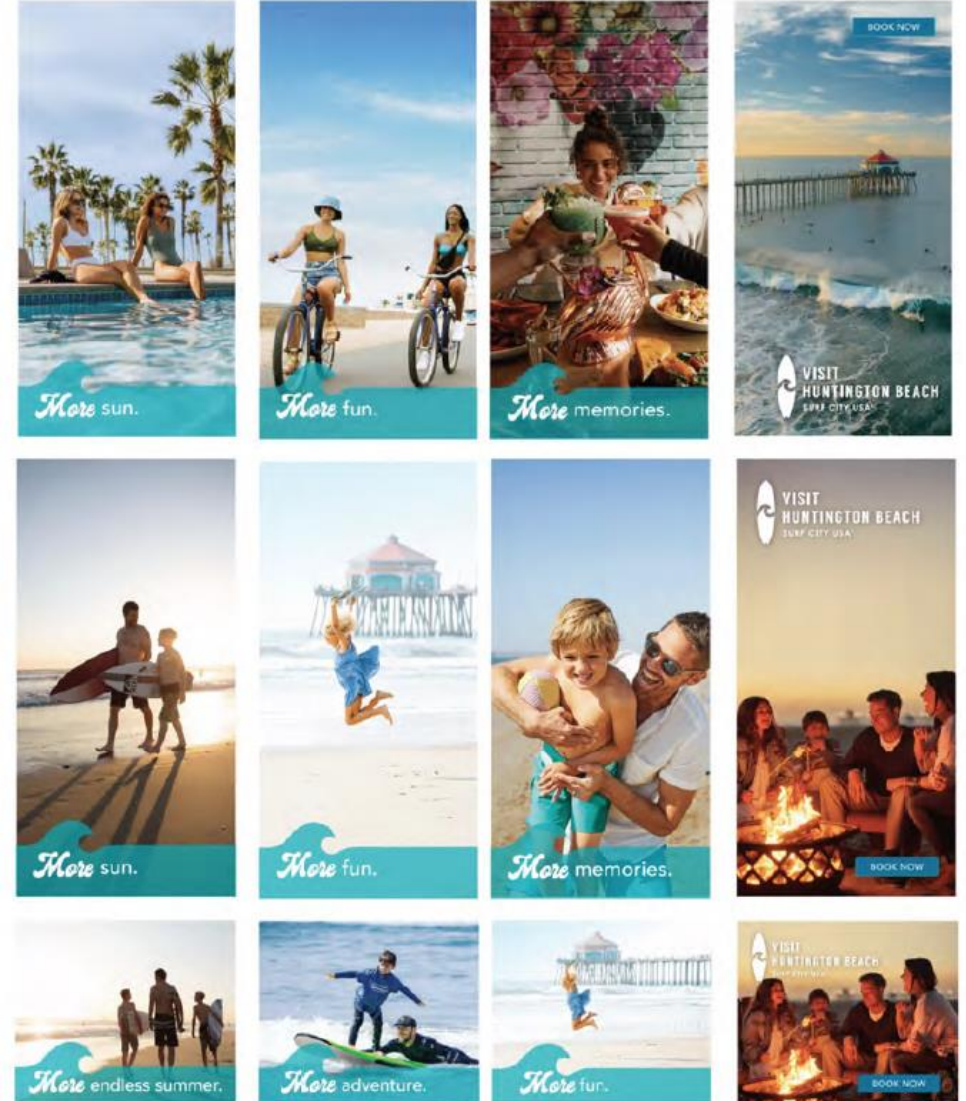
Improve visitor experiences, accessibility, and local attractions; implement enhancement projects and highlight local gems.

3. Championing the Value of Tourism

Educate stakeholders on tourism's economic, community, and quality-of-life benefits.

4. Prioritizing Organizational Effectiveness & Culture

Strengthen team culture, gather visitor feedback, and deliver on VHB's mission and brand promise.



FY 2025/26 Expenses

Category	\$ Amount	% of TBID Assessment Revenue	Notes
Sales & Marketing	\$7.8M	69%	Ads, PR, events, influencer campaigns, UK/Ireland promotion, website updates, research
Tourism Enhancements	\$1.5M	10%	Gateway signs, Pier signage, pedestrian lighting, seasonal restrooms, ambassadors, Surf Museum, Wi-Fi, seating, Pier markers
Administration	\$2.2M	20%	IT, facilities, security, strategic planning, leadership transition
Reserve	\$25K	Minimal	\$1.5M reserve target already achieved
City Collection Costs	\$98K	1%	Collection fees
Total	\$11.6M	100% of TBID assessment revenue + rollover/reserves	Percentages shown reflect allocations of TBID assessment revenue only

VHB Tourism Enhancement Projects

DESCRIPTION	FY 25/26 BUDGET
Wayfinding	\$285,000
Pier Sign	\$300,000
Walkability and Connectivity	\$200,000
Temporary Beach Restrooms	\$100,000
Ambassador Program	\$40,000
Accessibility	\$24,000
Bike Valet	\$24,000
Beach Event Enhancements	\$40,000
Surf City USA Stories Pier Markers	\$65,000
Downtown Improvements (seat walls)	\$250,000
Improved HBISM in Preparation for LA28	\$175,000
Contingency	\$28,958
TOTAL INVESTMENT	\$1,531,958*

**\$496,471 has been rolled over from FY 24/25*

VHB Tourism Enhancement Projects





SURF CITY USA®
BIKE VALET

5TH ST. & WALNUT AVE.
Park your bike at a secure location while you shop, dine, and play in Surf City USA®.

FREE VALET



WALNUT AVE.
5TH ST.
MAIN ST.
P.C.H.
HB BIKE TRAIL
HB TRAIL

— SURF CITY USA® BIKE VALET — THE STRAND
— HUNTINGTON BEACH BIKE TRAIL

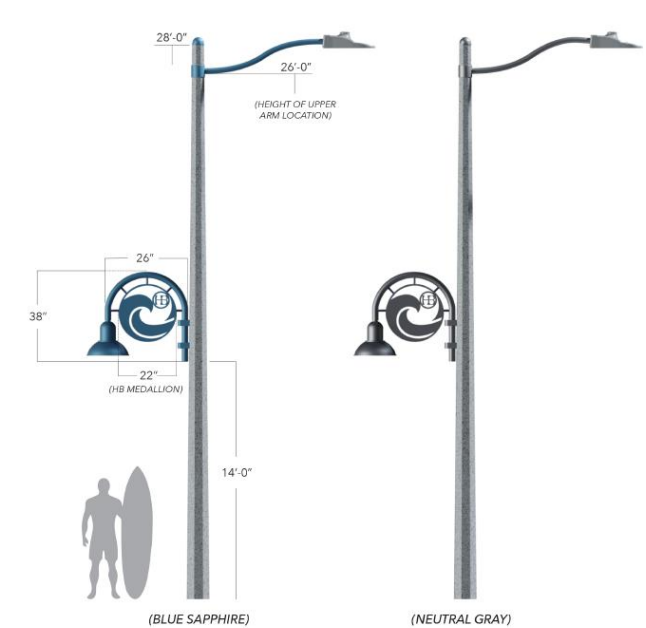
HOURS OF OPERATION:
Weekends and Holidays:
11:00 AM – 7:00 PM
Tuesday Evenings (Surf City Nights):
*4:00 PM – 8:00 PM
* Subject to change



SCAN
TO LEARN MORE

PRESENTED BY
CITY OF HUNTINGTON BEACH
HB
SILVER
LAZ

The Surf City USA® Bike Valet program is a public-private partnership between the City of Huntington Beach, The Strand, Huntington Beach Boardwalk LLC, LAZ Parking, and Visit Huntington Beach.



City Tourism Enhancement Projects

DESCRIPTION	FY 25/26 BUDGET
General Restroom Improvements	\$300,000
Restroom Project, Sunset Beach	\$85,000
Irrigation Upgrades, Bluff Top Park	\$110,000
Bluff Top Slope Repair, Dog Beach	\$310,000
HVAC Installation, Main Street Library	\$650,000
Refurbished/Replace Bike Racks, Downtown	\$100,000
Light Bulb Upgrades, Downtown	\$16,000
Enhanced Downtown Maintenance	\$220,000
TOTAL INVESTMENT	\$1,791,000

**In FY 24/25, the City invested approximately \$1.5M on TEP projects, including elevator upgrades, mobility (Circuit) and accessibility enhancements, playground and park lighting upgrades, and maintenance.*

FY 25-26 VHB Budget

INCOME	
Estimated TBID Assessments	\$10,354,873
Retail, Web Ad, Walking tour Sales, Interest	\$153,500
Estimated Carryover from Previous Fiscal Year	\$800,058
TOTAL INCOME	\$11,308,431
EXPENSES	
TBID Assessment Expenses	
Sales and Marketing	\$7,765,342
Tourism Enhancement Programs	\$1,531,958
Administration	\$2,178,608
Contingency/Reserve	\$25,000
City Collection Costs	\$98,047
TOTAL	\$11,598,955
Non-TBID Fund Expenses (Advocacy, Board/Staff Events)	\$30,900
TOTAL EXPENSES	\$11,629,855

Recommendation

Approve the HBTBID Annual Report for FY 2025-26



Questions?

