

2025-2034



LONGMONT TOURISM IMPROVEMENT DISTRICT INITIAL PLAN

Prepared pursuant to Chapter 4.06 of Title 4 of the Code of the City of Longmont

April 28, 2025

I. DISTRICT'S NAME

The proposed name of this tourism improvement district shall be the “Longmont Tourism Improvement District” (LTID).

II. LEGAL AUTHORITY

The LTID is to be organized and established as a tourism improvement district (TID) as authorized in Chapter 4.06 of Title 4 of the Code of the City of Longmont (TID Ordinance) to provide improved, enhanced, additional, or otherwise unavailable tourism-related facilities and services that will supplement the facilities and services regularly provided by the City of Longmont (City).

III. PURPOSE

The purpose of the LTID, proposed by Longmont lodging businesses and Visit Longmont (VL), is to charge a fee upon lodging businesses included within the LTID in order to fund and provide sales, marketing & communication and destination development programs, which aim to: (i) promote economic health; (ii) promote the health, safety, prosperity, security and general welfare of the City’s residents and visitors; and (iii) promote services designed to generate commercial activity, attract tourists, visitors, conventions and other meetings to the City.

IV. BACKGROUND

TIDs are an evolution of the traditional business improvement district. The first TID was formed in West Hollywood, California in 1989. Since then, over 200 United States destinations have followed suit. This includes many states that have adopted the California model- for example, Montana, South Dakota, Washington, Texas, Louisiana, Minnesota, and Illinois have adopted TID laws, as well as several municipalities in Colorado, including Denver and Fort Collins.

TIDs nationwide collectively raise over \$500 million annually for local destination marketing. With competitor destinations raising their budgets and increasing rivalry for visitor dollars, it is important that Longmont lodging businesses invest in stable sales, marketing & communication and destination development programs to remain competitive in the marketplace.

TIDs utilize the efficiencies of private sector operation in the market-based promotion of tourism and allow lodging business owners to organize their efforts to increase room night sales, creating additional economic opportunities for the community at large. Longmont lodging business owners within the LTID will pay a fee, and those funds will be used to provide sales, marketing & communication, and destination development programs focused on attracting new markets and visitation to Longmont and increasing room night sales. There are many benefits to TIDs:

- Funds are spent on tourism services and tourism improvements, providing benefits to those who pay;
- Funds spent on tourism services and tourism improvements may increase visitor spending and sales tax revenues, bolstering the City’s general fund;
- They are customized to fit the needs of fee payers in each destination;
- They allow for a wide range of services;

- They are designed, created and governed by those who will pay the fee; and
- They provide a stable, long-term funding source for tourism promotion.

V. LOCATION

The LTID's boundaries shall be coterminous with the boundaries of the City of Longmont, the current boundaries of which are shown on the map attached as **EXHIBIT A**. The LTID's boundaries shall remain coterminous with the City's boundaries. Therefore, future lodging businesses opened in or annexed into the City after the establishment of the LTID shall automatically be included within the LTID's boundaries.

"Lodging business" shall mean a hotel as defined consistent with Longmont Municipal Code (LMC) §6.40.010, and is obligated to pay the lodgers tax imposed by LMC §4.05 by virtue of ownership and operation of a hotel within the LTID. However, a "lodging business" shall not include a short-term rental or lodging businesses with less than ten (10) rooms.

Short-term rental shall have the same meaning given to the term in LMC §15.02.080 (D).

VI. TERM

The LTID shall have an term of ten (10) years beginning on October 1, 2025 and ending ten (10) years from its start date. If lodging business owners support continuing the LTID programs, the LTID may be renewed pursuant to the TID ordinance. If the LTID is not renewed, the LTID shall be deemed dissolved at the end of the initial term.

VII. PUBLIC PARTICIPATION

Petitioners, including lodging business owners and Visit Longmont, have been conducting public outreach to eligible electors of the proposed LTID, including one-on-one and group meetings with all lodging businesses proposed to be included in the LTID and subject to the fee to provide them with updates on the process to the establishment of the LTID. To ensure accessibility for all lodging businesses, online access to easily submit signed petitions, view this Initial Plan and obtain other informational resources regarding the LTID was provided, along with in-person visits by a lodging business representative, resulting in ample opportunities for lodging businesses proposed to pay the LTID fee to participate, contribute to this Initial Plan, and achieve consensus among participating lodging business owners.

VIII. PROMOTIONAL PLAN

The initial tourism improvements and tourism services that the LTID will fund have been developed and prioritized by the lodging businesses proposing the establishment of the LTID. LTID promotional efforts shall be administered by the LTID Board.

A summary for each of the LTID's proposed programs is included below:

Sales, Marketing & Communications

A sales, marketing & communications program will promote Longmont as a visitor, meeting, and event destination. The sales, marketing and communications program will have a central theme of promoting the destination as a desirable place for overnight visits with a focus on groups, meetings, and sporting events, and may include international marketing efforts. The program may include the following activities, but is not limited to:

- Attendance at professional industry trade shows and conferences that include participation from meeting and event planners or group tour operators, to promote lodging businesses paying the LTID fee;
- Submitting bids and sponsorships to attract special events that may include sports activities and competitions, musical acts, museum exhibits, and other special events aimed to promote lodging businesses paying the LTID fee;
- Sales blitzes for lodging businesses paying the LTID fee, focused on off-peak seasons, highlighting fall college events and with a year-round theme;
- Research group, meeting and sport tourism sales and development opportunities;
- Familiarization tours, for media and in support of meeting and event bids and proposals;
- Lead generation and sales activities designed to attract visitors, groups and sporting events to the City, and to increase overnight stays at lodging businesses paying the LTID fee;
- Partnerships with local and state tourism organizations to target key international markets to increase overnight visitation to lodging businesses paying the LTID fee;
- Print and digital ads in magazines and newspapers, television ads, and radio ads targeted at potential visitors to drive overnight visitation and room sales to lodging businesses paying the LTID fee; and
- Research that measures the effectiveness and conversion rates of LTID funds and marketing efforts.

Destination Development

Destination development projects will be designed to improve the visitor experience.. Working collaboratively with the City, the LTID Board will develop specific funding criteria. Projects may include, but are not limited to:

- Gateway enhancements, to attract overnight visitors which may include wayfinding and signage;
- Art and cultural projects, including musical acts and special events;
- Tourism-focused infrastructure or capital improvements that enhance Longmont's competitive position to attract desirable special events year around;
- Sustainability programs to raise awareness among visitors, create engagement and offset impacts of tourism, reducing pressure on infrastructure and resources that may have a negative impact;
- Research or feasibility studies of any proposed tourism infrastructure project; and
- Business improvements to existing parks and sports facilities utilized by overnight visitors.

Administration and Operations

The administration 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

LTID will enter into an agreement with the City to authorize the City to collect and remit LTID fees from lodging businesses within the LTID to LTID. The City shall be paid a fee equal to one percent (1%) of the amount of the fee collected to cover its costs of collection and administration.

Contingency / Reserve

The budget includes a contingency/reserve line item to account for lower than anticipated LTID fee revenue. 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 the LTID Board. Policies relating to contributions to the reserve fund, the target amount of the reserve fund, and expenditure of monies from the reserve fund shall be set by the LTID Board. Contingency/reserve funds may be spent on LTID programs or administrative and renewal costs in such proportions as determined by the LTID Board.

IX. FINANCIAL PLAN

A. LTID Fee

The annual fee rate is proposed to be two percent (2%) of gross short term room rental revenue for all lodging businesses, as defined in Section V of this Initial Plan, within the boundaries of the City. The fee is charged solely upon, and is the sole obligation of the lodging business. Based on the benefit received, and consistent with LMC §4.05.030, the fee shall not be collected on:

- All lodging services provided to the United States Government; to the state, its departments or institutions and political subdivisions in their governmental capacities only, including the City and any department thereof;
- All lodging services provided to religious and charitable organizations in the conduct of their regular religious or charitable functions and activities;
- All lodging services provided to persons that the City is prohibited from taxing or charging a fee under the Constitution or laws of the United States or the State;
- All lodging services provided to any person for a period of at least 30 consecutive days; and
- Any lodging transaction, if the price of such lodging services is paid in advance on a weekly basis and does not exceed the total sum of \$75.00 per week.

“Gross short term room rental revenue” means the lodging price paid for the leasing, rental or providing of any lodging services.

“Lodging service” shall mean means the furnishing of rooms or accommodations by any person, partnership, association, corporation, estate, representative capacity or any other combination of individuals by whatever name known to a person who for a consideration uses, possesses, or has the right to use or possess any room in a hotel, inn, bed-and-breakfast residence, apartment, hotel, lodginghouse, motor hotel, guesthouse, guest ranch, trailer coach, mobile home, auto camp or trailer court and park, or similar establishment, for a period of less than 30 consecutive days under any concession, permit, right of access, license to use or other agreement, or otherwise.

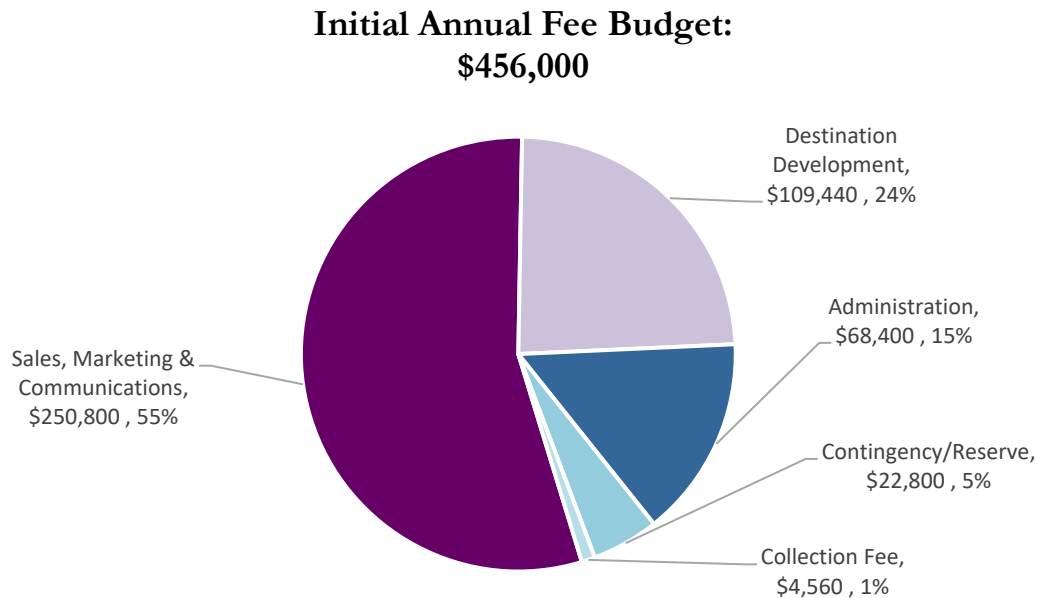
B. Financial and Contractual Obligations

As authorized by the TID Ordinance, the LTID may enter into contracts and agreements affecting the affairs of the LTID, including, without limitation: (i) contracts relating to the LTID’s tourism improvements and tourism services; (ii) contracts with the City for the collection and expenditure of LTID fee, and fee revenue; and (iii) contracts for any other administrative, legal, or financial services necessary to assist the LTID in the performance of its lawful functions.

Bonds shall not be issued.

C. Estimated Costs & Initial Budget

An initial budget displaying the reasonably estimated costs of LTID business improvements and business services has been developed. The chart below illustrates the estimated annual budget for the initial fiscal year.



In the event of a legal challenge against the LTID, any and all funds may be used for the costs of defending the LTID. Each budget category includes all costs related to providing that service. For example, the sales, marketing & communications budget may include staff time dedicated to overseeing and implementing the sales, marketing & communication program, as well as and other related costs and services. The costs of an individual staff member may be allocated to multiple budget categories.

X. PENALTIES AND INTEREST

The penalties and interest charged for any deficiency in the payment of the LTID fee shall be consistent with the provisions of LMC §4.05.220.

XI. TIME AND MANNER FOR COLLECTING FEES

The LTID fee shall be implemented beginning October 1, 2025. The City shall enter into an intergovernmental agreement with the LTID to authorize the City to collect the fee (including any delinquencies, penalties and interest) from each lodging business within the LTID, once the Plan is in effect.

XII. LTID GOVERNANCE

The LTID shall have a LTID Board of six (6) to ten (10) directors, of which five (5) to nine (9) shall be voting directors. The initial appointments to the LTID Board shall be confirmed in the establishment ordinance for the LTID with one-third, or as near to one-third as possible as determined by the City Council, of initial appointees to have a term of one (1) year, one-third of the initial appointees to have a term of two (2) years, and one-third of the initial appointees to have a term of three (3) years. Of the directors:

- One (1) voting director of the LTID Board may be a designated representative of the City.
- All other voting directors of the LTID Board shall be electors within the LTID or authorized representatives of the electors.
- A designated representative of the City may be designated as a non-voting, ex officio director of the LTID Board .

The terms of the initial directors on the LTID Board shall be deemed to have commenced on the effective date of the establishment ordinance. Upon the expiration of the initial terms, successor directors shall be appointed for terms of three (3) years unless the appointee is being appointed to finish the term of a director who has left the LTID Board for any reason before the expiration of their term and, in such case, the appointee shall only be appointed to complete the departed director's term. The following persons are proposed to be appointed as the initial directors of the LTID Board:

Director Name	Affiliation	Director Criteria	Initial Term Length
Harish Dand	Hilton Garden Inn	Elector	2 years
TBD	Hotel Longmont	Elector	3 years
Brittney Doroghazi	Marriot properties	Elector	1 year
Derek O'brien	Home2Suites	Elector	3 years
TBD	*TBD*	Elector	*TBD*
City Council rep	Longmont City Council	City representative	2 years

The initial board of director's term will expire at the end of the initial term length. The current board of directors at their annual meeting will identify new directors for any open seat.

XIII. LTID MANAGEMENT STRUCTURE

The LTID intends to enter into an agreement with VL to deliver the programs and services contemplated under this Initial Plan and to manage the LTID. VL is a 501(c)(6) organization that supports and manages the destination marketing of the City.

XIV. CITY SERVICES

The LTID's tourism improvements and tourism services shall be designed to provide improved, enhanced, additional, or otherwise unavailable tourism-related facilities and services that will supplement the facilities and services regularly provided by the City. The LTID services and improvements are not intended to replace any existing City services or improvements.

XV. ANNUAL REVIEW

The TID Ordinance requires that the LTID Board shall, by the anniversary of the formation of the LTID of each year, or such other date agreed upon by the LTID Board and the City, file with the City Clerk a budget and annual plan for the ensuing year. The LTID shall operate on a calendar fiscal year. The annual plan and budget shall be subject to the City Council's approval each year. The annual plan and budget may be amended by the LTID in substantially the same manner as the process for formulating the annual plan and operating budget.

XVI. CONCLUSION

With the submission of this Initial Plan, Longmont lodging businesses and VL hereby request the City Council of the City of Longmont to establish the LTID pursuant to the TID Ordinance.

Longmont, CO TID

