

Visalia Tourism Marketing District

2025 Annual Report

Submitted to the City of Visalia pursuant to Streets and Highways Code section 36650, for the period from January 1, 2025, through December 31, 2025





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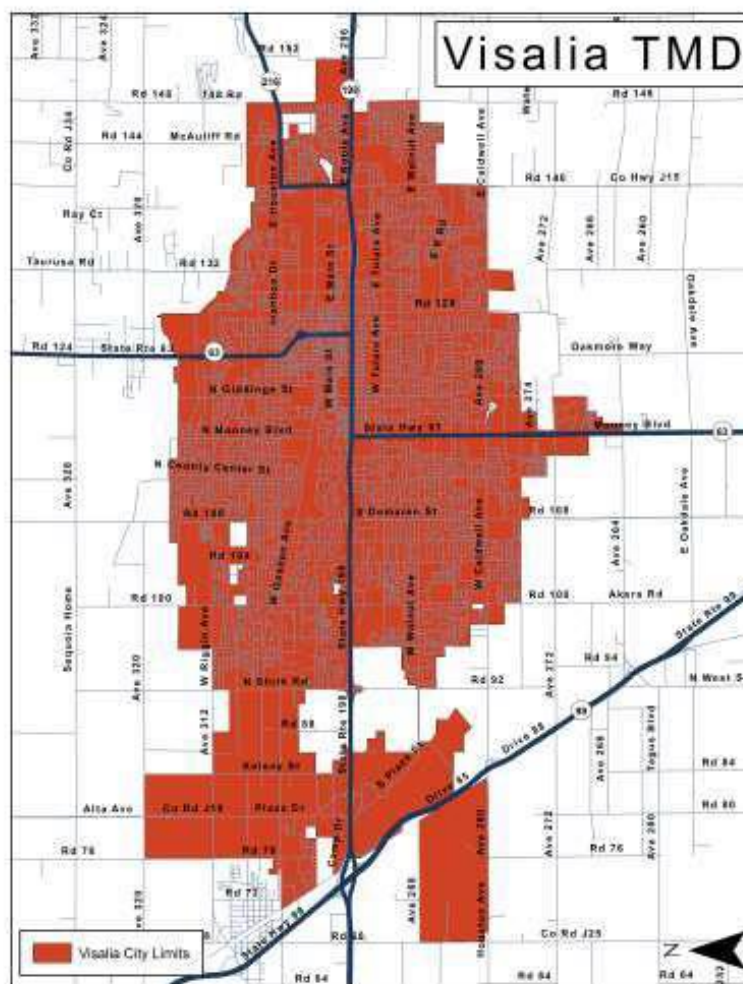
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The VTMD is a benefit assessment district designed to help fund sales & marketing and destination development programs for certain Visalia lodging businesses.

Boundaries

The Visalia Tourism Marketing District (VTMD) includes all lodging businesses with twenty (20) rooms or more, existing and in the future, available for public occupancy within the boundaries of the City of Visalia.

The boundary, as shown in the map below, currently includes fifteen (15) lodging businesses and a complete listing of lodging businesses within the VTMD can be found in the Appendix. (Lodging business means: any structure or any portion of any structure, which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes, and includes any hotel, inn, tourist home or house, motel, studio hotel, bachelor hotel, lodging house, rooming house, apartment house, dormitory, public or private club, mobile home or house trailer at a fixed location or other similar structure or portion thereof.)



Tourism Marketing District

Assessment Collections

The Visalia Tourism Marketing District (VTMD) is funded by a two percent (2%) assessment of gross commercial room rental revenue collected from lodging businesses. This assessment provides a stable and dedicated funding source for tourism promotion and the development of tourism assets.

In 2025, gross assessment revenue collected totaled \$862,421.

2025 ASSESSMENTS		
Net Collections	City Fee 1%	Est. Gross Collections
\$853,797	\$8,624	\$862,421

Note: P&L 2025 indicates \$862,407.85 collected due to July Fee entered as \$810.97 with YTD total of \$8,610.64. The correct amounts are listed above.

Assessment Spending 2025

Although actual revenues fluctuate due to market conditions, the Management District Plan outlines consistent proportional allocations of the assessment budget. Those allocations are as follows:

Assessment Collection Fee	1%
Administration and Operations	15%
Destination Development	10%
Sales & Marketing	69%
Contingency/Reserve	<u>5%</u>
	100%

**Visalia Tourism Marketing District (VTMD)
2025 Receipts and Expenditures**

	Disbursements	Receipts (income)
Retained Earnings: Jan 1, 2025		\$ 572,429
RECEIPTS		
Assessments Collected		\$ 862,421
		\$ 1,434,850
EXPENDITURES		
City Fees (1% of collections)	\$ 8,624	
Total City Fees (1%)	\$ 8,624	
Administration.		
Admin & Operations	\$ 99,849	
Office Expenses, Postage	\$ 1,577	
Insurance Expense	\$ 830	
Accounting and Professional Fees	\$ 3,249	
Total Administration (7.35%)	\$ 105,505	
Destination Development		
IBCCES	\$ 4,930	
Bandwango	\$ 20,305	
Other Projects	\$ 78,820	
Total Destination Marketing (7.25%)	\$ 104,055	
Marketing		
AOR, Digital Marketing, Earned, Owned, Paid	\$ 743,081	
Brand USA GIP	\$ 52,300	
Carvertise	\$ 17,785	
Brochure Reprint - Historic Walking Tour	\$ 976	
Photo & Video Asset Development	\$ 27,778	
Brand Refresh	\$ 12,500	
Video Series Production	\$ 151,414	
Total Special Projects	\$ 262,754	
Total Marketing (70%)	\$ 1,005,835	
Total Expenditures	\$ 1,224,019	\$ 1,224,019
Balance Sheet (includes reserved funds of \$42,800 - 5%)		\$ 210,831
Visalia Heritage - Cultural Arts Center at The Depot		\$ 95,000
		\$ 115,831

Destination Development: Visalia Heritage Cultural Center

The VTMD Board provided Visalia Heritage, a 501c3 Corporation, funding of \$95,000 for development of the historic Depot as a Cultural Center. As directed in the VTMD Management District Plan (page 8), destination development projects may include “Arts and Cultural projects to attract overnight visitors.”

2025 Key Deliverables

In addition to a comprehensive marketing and advertising program with Fourth Idea, our agency of record, the Visalia Tourism Marketing District invested in the following tourism marketing and destination development initiatives.

Marketing

- Media/Travel Writer Familiarization (FAM) Tours
- Co-Op Campaigns: Hotel Beds and Expedia
- Westways Magazine
- Visit California Newsletter
- World Ag Expo Sponsorship
- National Geographic Traveler
- Live Visalian Production and Video Campaign
- Media and Tour Operator Tradeshow

Destination Development

- Basecamp Better – Digital Platform of Gamified Self-guided Tours

Administration and Operations

In accordance with the VTMD Management District Plan, administration and operations include tourism marketing payroll, equipment and maintenance, office rent, supplies and other items necessary for overall operations.

City Administration Fee

The City of Visalia retains one percent (1%) of the amount of assessment collected to cover its costs of collection and administration.

2026 Assessment Projections

Tourism is a volatile industry in Visalia. Being heavily dependent on access to Sequoia and Kings Canyon National Parks, natural occurrences such as fires and flooding within the Parks, decrease opportunities for tourism.

In 2026 the political climate, domestic economy and dollar exchange rate are predicted to soften leisure travel throughout the United States including California.

Economic forecasting of the projected boost in tourism due to the 2026 World Cup matches played in California have been tempered due to the team/match draws and ongoing international travel barriers.

The Visalia Tourism Marketing District will closely monitor hotel occupancy and revenue per available room to learn if budget projections made in 2026 are overly optimistic.

The Visalia Tourism Marketing District is projecting that assessment collections will decline in 2026 by 8% over 2025. VTMD has set aside the required 5% reserve fund of \$42,800.

Based on regulatory guidelines, the Assessment Revenue may be allocated as follows:

2026 BUDGET SUMMARY

TMD Budget	2026
Projected 12-month Assessments	\$ 800,000
Reserve Funds	\$ 42,800
Retained Earnings	\$ 73,031
Total 2026 Available Funds	\$ 915,831
Proposed Activities	
Targeted Marketing and Sales Programs (69%)	\$ 636,131
Destination Development (10%)	\$ 91,500
Administration and Operations (15%)	\$ 137,400
Professional Fees - City of Visalia (1%)	\$ 8,000
Reserves (5%)	\$ 42,800
Total Proposed Activities	\$ 915,831



The following is a description of the proposed improvements and activities for 2026 operations.

Sales and Marketing

A sales and marketing program will promote assessed businesses as a tourist, meeting, and event destination and as a desirable place for overnight visits. The program may include the following activities to increase awareness and drive overnight visitation to assessed businesses:

- Digital marketing, print advertising and other marketing opportunities
- Attendance at trade shows, professional industry conferences and affiliation events to promote assessed businesses;
- Implementation of a public relations and communications strategy, inclusive of social media outlets and press release distribution. designed to increase overnight visitation at assessed businesses. This includes familiarization tours for travel buyers or media writers of assessed businesses;
- Preparation and production of collateral and promotional materials such as brochures, flyers and maps featuring assessed businesses;
- Education of hospitality staff designed to create a visitor experience that will bring repeat visits to assessed businesses;
- Education of lodging business management and the owners on marketing strategies best suited to meet assessed businesses' needs;
- Return on Investment (ROI) analysis to learn effectiveness of programming in driving overnight visitation at assessed businesses.

Destination Development

The Destination Development projects, designed to attract overnight visitors, may include:

- Contributions towards funding a transportation program connecting assessed businesses with downtown, points of interest and other attractions
- Art and cultural projects, Gateway enhancements, Enhancements to environmental experiences; Development of and/or improvements to visitor points of interest, such as hiking trails and parks, Comprehensive and integrated wayfinding signage system;

- Sustainability programs that offset impacts of tourist visitation within the destination;
- Infrastructure improvements that enhance the destination's competitive position to attract desirable special events year-round

Administration and Operations

The administration and operations portion of the budget shall be utilized for administrative staffing costs, office costs, tourism advocacy, and other general administrative costs such as insurance, legal, and accounting fees.

City Administration Fee

The City of Visalia shall retain a fee equal to one percent (1%) of the amount of assessment collected to cover its costs of collection and administration.

Penalties and Interest

The VTMD shall reimburse the City of Visalia for any costs associated with collecting unpaid assessments. If sums in excess of the delinquent VTMD assessment are sought to be recovered in the same collection action by the City, the VTMD shall bear its pro rata share of such collection costs. Assessed businesses which are delinquent in paying the assessment shall be responsible for paying:

1. *Original Delinquency*: Any assessed business that fails to remit any assessment imposed within the time required shall pay a penalty of ten percent (10%) of the amount of the assessment in addition to the amount of the assessment.
2. *Continued Delinquency*: Any assessed business that fails to remit any delinquent remittance on or before a period of thirty (30) days following the date on which the remittance first became delinquent shall pay a second delinquency penalty of ten percent (10%) of the amount of the assessment in addition to the amount of the assessment and the ten percent (10%) penalty first imposed.
3. *Fraud*: If the City determines that the nonpayment of any remittance due is due to fraud, a penalty of twenty-five percent (25%) of the amount of the assessment shall be added thereto in addition to the penalties stated in paragraphs 1 and 2 above.
4. *Interest*: In addition to the penalties imposed, any assessed business that fails to remit any assessment imposed shall pay interest at the rate of one-half of one percent (0.5%) per

month or fraction thereof on the amount of the assessment, exclusive of penalties, from the date on which the remittance first became delinquent until paid.

5. Penalties Merged with Assessment: Every penalty imposed and such interest as accrues shall become a part of the assessment herein required to be paid.

penalties. The business shall also be liable for the cost incurred by the City for the audit if a deficiency is substantiated.

Appendix

2025 - Assessed Lodging Properties

Property	Sleeping Rooms
Wyndham Visalia 9000 W. Airport Dr.	256
Visalia Marriott 300 S Court St.	197
Hilton Garden Inn 8715 W. Hillsdale Ave.	112
Lamp Liter Inn 3300 W. Mineral King Ave.	100
Residence Inn Visalia 205 N. Plaza Dr.	94
Holiday Inn Express 5625 W. Cypress Ave.	91
Hampton Inn Visalia 4747 W. Noble Ave.	88
Motel 6 Visalia 4645 W. Noble Ave.	77
Comfort Suites 210 E. Acequia Ave.	72
La Quinta Inn & Suites 5438 W. Cypress Ave.	65
Best Western 9300 W. Airport Dr.	64
Fairfield Inn 140 S. Akers St.	63
Super 8 Motel 4801 W. Noble Ave	39
Americas Best Value Inn 623 W. Main St.	38
The Darling Hotel 210 N. Court St.	32

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Visalia Tourism Marketing District 2025 Board of Directors.

VISALIA TOURISM AND MARKETING DISTRICT 2025 OFFICERS AND DIRECTORS							
Property	Size	Property Owner/GM	Office	Address	Phone	Group	Rooms
Comfort Suites Downtown	51-99	Anil Chagan, Owner	Treasurer	210 E. Acequia Ave. Visalia, CA 93291 Anil@infinitehospitality.com	P: 559-738-1700 M: 559-779-1825	A	72
Wyndham Visalia	100+	Christina DaSilva	Director	9000 W. Airport Dr. Visalia, CA 93277 cdasilva@altamonthotels.com	P: 559-651-5000 M: 559-759-8119	A	256
The Darling Hotel	20-50	David Ahern	Director	210 N. Court St Visalia, CA 93291 dahern@charlestownhotels.com	P: 559-713-2113	B	32
Visalia Marriott at the Convention Center	100+	Carrie Groover	Vice Chair/ Secretary	300 S. Court St. Visalia, CA 93291 carrie.groover@marriott.com	P: 559-636-1111 M: 559-972-0222	B	197
Hilton Garden Inn	20-50	Hector Ramos	Chair	8715 West Hillsdale Ave, Visalia 93291 Hector.Ramos@hilton.com	P: 559-205-1332 M: 310-923-5170	A	32
	51-99					B	
	100+					B	
Group A Term Jan. 1, 2024 to Dec. 31, 2025							
Group B Term Jan. 1, 2023 to Dec. 31 2026							

* Attachments

- January 1, 2025, Balance Sheet
- December 31, 2025, Balance Sheet
- 2025 Profit and Loss

Visalia Tourism & Marketing District

Balance Sheet

As of January 1, 2025

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1000 Bank	569,120.41
Total Bank Accounts	\$569,120.41
Other Current Assets	
1200 Undeposited Funds	0.00
1410 Utility Deposits	790.00
1490 Rental Space Deposit	2,850.00
Total Other Current Assets	\$3,640.00
Total Current Assets	\$572,760.41
Fixed Assets	\$0.00
TOTAL ASSETS	\$572,760.41
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Credit Cards	
2100 Credit Card	331.00
Total Credit Cards	\$331.00
Other Current Liabilities	\$0.00
Total Current Liabilities	\$331.00
Total Liabilities	\$331.00
Equity	
3200 Retained Earnings	572,429.41
Net Income	
Total Equity	\$572,429.41
TOTAL LIABILITIES AND EQUITY	\$572,760.41

Balance Sheet
Visalia Tourism & Marketing District
As of December 31, 2025

DISTRIBUTION ACCOUNT	TOTAL
Assets	
Current Assets	
Bank Accounts	
1000 Bank	
1005 Citizens Business Bank	\$112,550.46
Total for 1000 Bank	\$112,550.46
Total for Bank Accounts	\$112,550.46
Other Current Assets	
1200 Undeposited Funds	0.00
1410 Utility Deposits	790.00
1490 Rental Space Deposit	2,850.00
Total for Other Current Assets	\$3,640.00
Total for Current Assets	\$116,190.46
Fixed Assets	
1500 Furniture and Equipment	\$0.00
Total for Fixed Assets	\$0.00
Other Assets	
1800 Loan to Visalia Heritage Inc.	95,000.00
Total for Other Assets	\$95,000.00
Total for Assets	\$211,190.46
Liabilities and Equity	
Liabilities	
Current Liabilities	
Credit Cards	
2100 Credit Card	\$359.00
Total for Credit Cards	\$359.00
Other Current Liabilities	\$0.00
Total for Current Liabilities	\$359.00
Total for Liabilities	\$359.00
Equity	
3001 Reserve Account	42,800.96
3200 Retained Earnings	529,628.45
Net Income	-381,597.95
Total for Equity	\$210,831.46
Total for Liabilities and Equity	\$211,190.46

Visalia Tourism & Marketing District

Profit and Loss

January - December 2025

	ADMIN	CITY FEE	DESTINATION DEVELOPMENT	MARKETING	NOT SPECIFIED	TOTAL
Income						
4050 CVB Tourism Contribution	0.00					\$0.00
4100 VTMD Assessments	94,799.21	8,610.64	77,562.99	681,435.01		\$862,407.85
Uncategorized Revenue	0.00					\$0.00
Total Income	\$94,799.21	\$8,610.64	\$77,562.99	\$681,435.01	\$0.00	\$862,407.85
GROSS PROFIT	\$94,799.21	\$8,610.64	\$77,562.99	\$681,435.01	\$0.00	\$862,407.85
Expenses						
5000 City Assessment Collection Fee		8,610.64				\$8,610.64
6000 Admin & Operations						\$0.00
6001 CBV Admin & Operations	99,848.71					\$99,848.71
6002 TMD Office Expenses	1,333.00					\$1,333.00
6535 Postage and Delivery	244.00					\$244.00
Total 6002 TMD Office Expenses	1,577.00					\$1,577.00
6003 Insurance Expense	830.00					\$830.00
6004 Professional Fees						\$0.00
6730 Accounting	3,249.00					\$3,249.00
Total 6004 Professional Fees	3,249.00					\$3,249.00
Total 6000 Admin & Operations	105,504.71					\$105,504.71
6301 IBCCES						\$0.00
6307 Autism Program Property Support			4,930.00			\$4,930.00
Total 6301 IBCCES			4,930.00			\$4,930.00
7000 Marketing						\$0.00
7001 CVB Tourism Marketing				743,081.08		\$743,081.08
7002 Dues & subscriptions				0.00		\$0.00
7003 Special Promotions				152,470.34		\$152,470.34
7010 Live Visalia				110,283.63		\$110,283.63
Total 7003 Special Promotions				262,753.97		\$262,753.97
Total 7000 Marketing				1,005,835.05		\$1,005,835.05
8000 Destination Development						\$0.00
8001 CVB Destination Development			78,820.25			\$78,820.25
8002 Special Projects- Destination Development			20,305.15			\$20,305.15
Total 8000 Destination Development			99,125.40			\$99,125.40
Unapplied Cash Bill Payment Expenditure					0.00	\$0.00
Total Expenses	\$105,504.71	\$8,610.64	\$104,055.40	\$1,005,835.05	\$0.00	\$1,224,005.80
NET OPERATING INCOME	\$ -10,705.50	\$0.00	\$ -26,492.41	\$ -324,400.04	\$0.00	\$ -361,597.95
NET INCOME	\$ -10,705.50	\$0.00	\$ -26,492.41	\$ -324,400.04	\$0.00	\$ -361,597.95