

DISCOVER  
*Coronado*

# Annual Report

to Coronado City Council  
Fiscal Year 2026

Managing Change

# From the Interim Chairperson

Dear Council Members,

After serving several years as Treasurer, it has been my privilege to return, on an interim basis, to the role of Chairperson following several unexpected retirements. While leadership has shifted, the resolve of Discover Coronado and my fellow Board Members is unwavering. We will respond decisively to confront the conditions challenging our industry.

This annual report summarizes the many changes Coronado Island has encountered in FY26 and how we responded. These responses have required fresh perspective and a willingness to adapt.

The Discover Coronado Board represents a broad cross-section of our community, including the lodging, retail, food and beverage, and service sectors. As we look ahead to Fiscal Year 2027, there's important work ahead, and much at stake.

With this in mind, the Board Members and I request renewal of the assessment that funds the initiatives that we manage under your direction.

At your service,



**Claudia Ludlow**  
Interim Chair

# What's New in FY26?

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Destination Sales Director .....	<b>6</b>
Video project investment.....	<b>6</b>
Visit California takeover.....	<b>8</b>
Signature Travel Event.....	<b>13</b>
Leisure travel photos and asset investment.....	<b>14</b>
NASCAR comes to Coronado.....	<b>15</b>
Office space .....	<b>18</b>



# Transient Occupancy Tax (TOT)

Since 2010, the work of Discover Coronado has strengthened Coronado's second largest revenue stream. This tax, which is paid by overnight hotel guests, contributes to the City's general fund which is used for various expenditures:

- City personnel and administrative support
  - Police, Fire and Lifeguard operations
- Infrastructure repair and facility refurbishments
  - Parks services and recreation programs
- Community grants given to local organizations

**\$23,500,000**

FY27 Projection

**\$24,931,150**

FY29 Projection

**\$24,205,000**

FY28 Projection

**\$25,679,085**

FY30 Projection

Discover Coronado receives no portion of TOT collections.



# Fulfillment

After feedback from community stakeholders, Discover Coronado commissioned a new strategic plan to guide the organization between FY26–FY28. Several of the initial priorities were completed in FY26:

 <p><b>Widen group sales effort</b> Page 6</p>	 <p><b>Improve imagery and content for destination</b> Page 6</p>
 <p><b>Fund research that quantifies sales conversion</b> Page 8</p>	 <p><b>Increase leisure guest outreach</b> Page 14</p>
 <p><b>Advocate to address water quality impacts</b> Page 15</p>	 <p><b>Elevate awareness of organization and work</b> Page 17</p>
 <p><b>Remain vigilant to labor concerns</b> Page 17</p>	 <p><b>Support services that enhance destination</b> Page 19</p>

# Challenges Ahead

## **Escalating costs from inflation and tariffs:**

Rising prices for lodging, food and beverage, transportation, and event services strain meeting budgets and make leisure travel feel less accessible.

**Reduced international visitation:** Stricter immigration policies, long visa delays, and global safety concerns have slowed overseas travel to the U.S., impacting destinations that rely on high-value international guests.

## **Volatile traveler behavior and late booking patterns:**

Groups and leisure travelers are booking closer to arrival, staying fewer nights, and demanding more value. It makes forecasting and staffing more challenging.

## **Economic headwinds affecting tourism-related jobs:**

Broader U.S. job losses and uncertainty in hospitality-adjacent sectors reduce consumer confidence, limit business-travel spending, and flatten demand for group meetings.



## Change with Board of Directors

An unprecedented turnover in Board Members occurred in the first half of FY26. Derik Morse, a local businessperson with Bluewater Boathouse Grill, joined the Board filling the vacated seat reserved for Coronado MainStreet.

Jonathan Litvack, the presiding Chair, announced his retirement from the Coronado Island Marriott Resort as did Kate Berry, the Vice-Chair, who had managed Loews Coronado Bay Resort.

In December 2025, Grant Dipman was introduced as the Managing Director of Loews Coronado Bay Resort and began serving in Q3 of FY26. He continues the work of Kate Berry.

Carlos Rodriquez Duran was named General Manager of the Coronado Island Marriott Resort in January 2026. He continues the work of Jonathan Litvack.

# Group Sales Recap

Group meetings are a cornerstone of Discover Coronado's strategy for year-round vitality. These programs do more than fill rooms during the off-season, they activate ballrooms, drive food and beverage revenue and conference services. Meetings impact the destination through shopping, dining, and experiences on Coronado's coastline.

In FY26, Discover Coronado welcomed Shari Stauder as Destination Sales Director, and her influence was immediately felt. With a strong emphasis on personal connection, Stauder implemented inbound and outbound strategies that elevated Coronado's relevance and kept the destination top-of-mind with meeting planners nationwide.

In her travels since July, Stauder has showcased Coronado's distinctions in **14 cities**, engaging **461 clients** and converting interest into action. These efforts strengthened off-season demand and reinforced the destination's reputation as an exceptional place to meet, connect, and recreate. Since the start of FY26, Stauder's outreach has resulted in **7 meetings confirmed** at Coronado's resorts.

The group meetings industry faced notable disruption this year as corporations contended with rising operating costs, tariffs on inventory, government shutdowns, and workforce downsizing. These conditions led to widespread cancellations and postponements nationwide. In response, Discover Coronado's Board of Directors acted decisively so the resorts remained competitive for the meetings that were still moving forward.

At a time when many destinations reduced spending, the Board chose a proactive course, deploying reserves to protect and grow group business. This included the establishment of a \$100,000 incentive fund to get clients to commit to Coronado. Since July, \$42,500 of the incentives have been invested, which **secured 27 meetings**, totaling in **14,057 occupied room nights**. So far, the incentives has generated **\$9,095,629 in revenue**, a return of **191x the investment**.

Because storytelling is essential in a constrained marketplace, the Board further invested reserve funds (\$200,000) to strengthen the resorts' visual assets. Updated photography and video will better portray the distinctions of the Coronado's resorts, keeping the destination a compelling option for planners in a challenging year.

Since July, incentives were used to secure:

**27**  
programs

**\$9,095,629**  
revenue

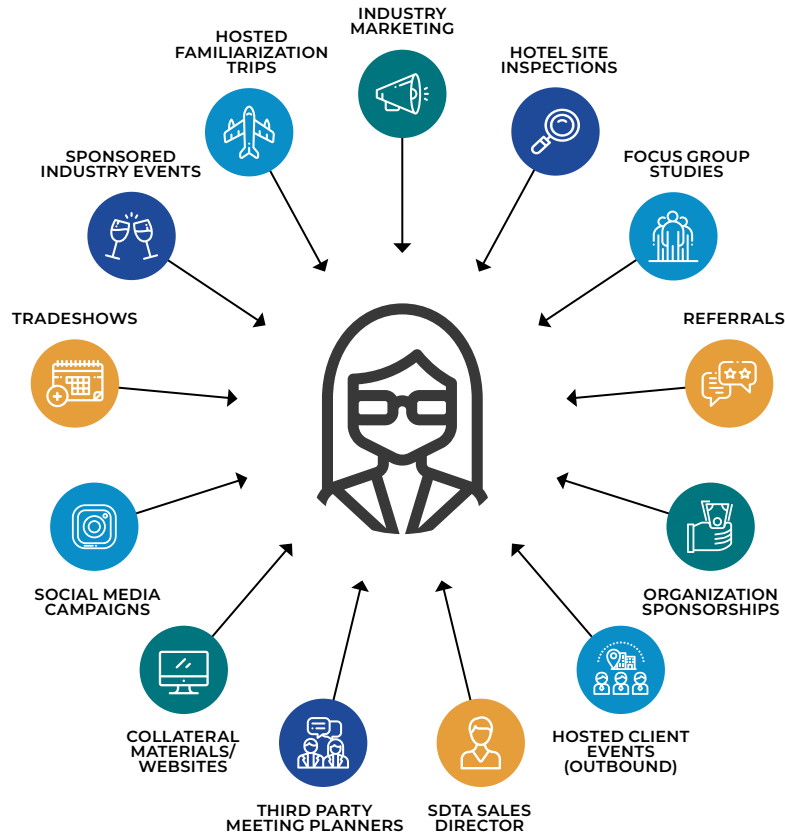
**\$42,500**  
invested

**191x**  
return on  
investment



# How Are Clients Reached?

Attachment 2

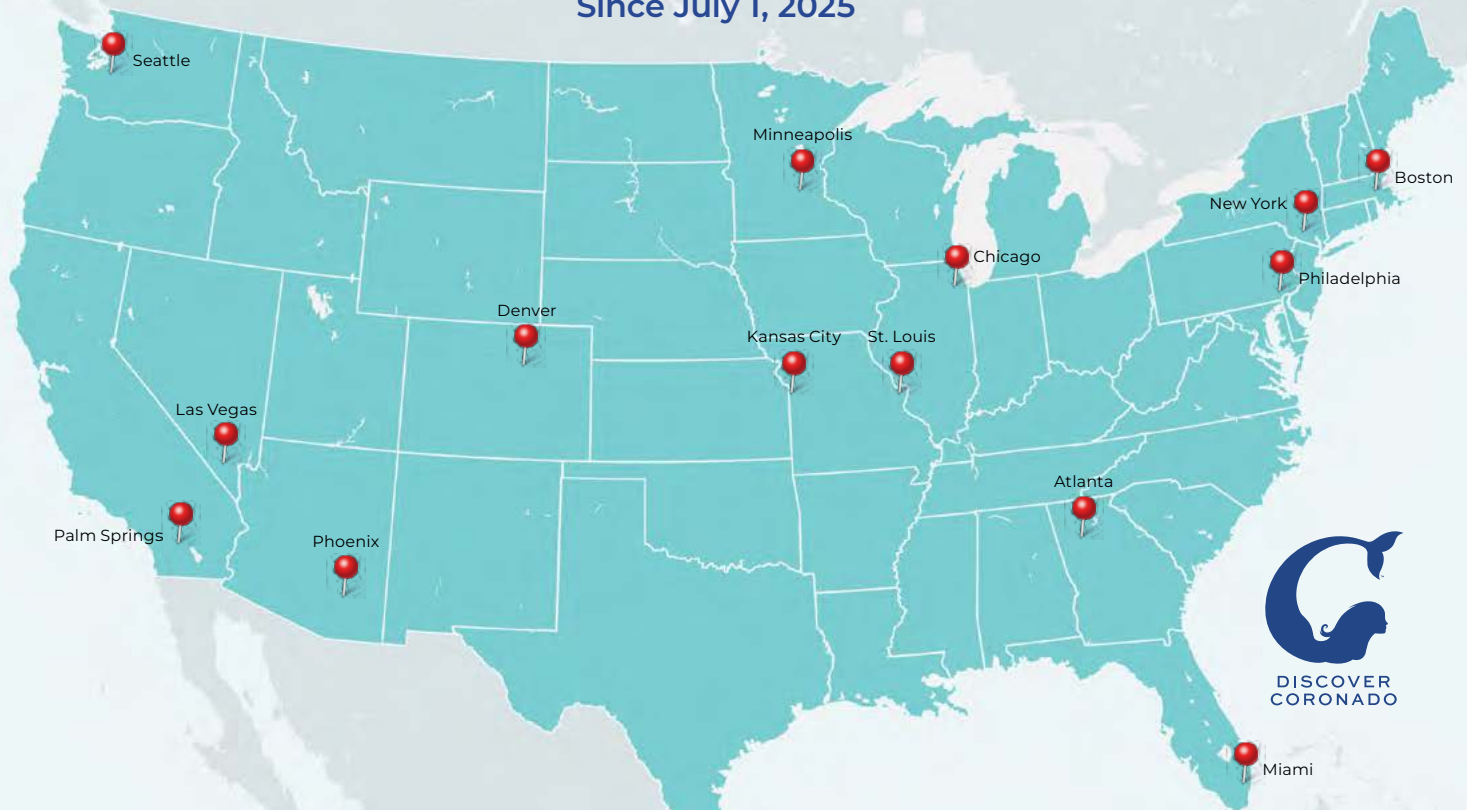


## Priority Markets for Group Sales

- New York
- Philadelphia
- Boston
- Chicago
- Dallas
- Houston
- Seattle
- Atlanta

## Map of Client Contact

Since July 1, 2025



# SDTA Summary

Since 2010, the San Diego Tourism Authority (SDTA) has been one of Discover Coronado's most valuable partners—delivering high-impact services otherwise beyond reach. Their national sales team actively promotes Coronado's resorts to group meeting clients. In Calendar Year 2025, SDTA generated 2,619 qualified leads, converting 93 of the programs. These leads generated 38,870 room nights in Coronado, an increase of 11% despite the challenges facing the meetings industry.

In FY26, SDTA expanded its support with targeted emails that keep Coronado a top option for meeting planners.

SDTA also conducts focus group research for Discover Coronado in key markets, offering insight into competing destinations, planner preferences, and buying habits—intelligence that strengthens Coronado's positioning.

Another major benefit is SDTA's coordination of familiarization trips, giving elite clients firsthand exposure to Coronado's meeting venues, culinary innovations, and nightlife—often sealing the deal for assessed resorts.

Finally, SDTA markets Coronado through its national database of affluent prospective travelers, showcasing the island's beauty and amenities. Various island businesses were featured in 3 additional social media reels and 12 email campaigns in this partnership with the San Diego Tourism Authority.



# Group Marketing

When in-person meetings with planners are not feasible, maintaining a strong and consistent presence through strategic marketing becomes essential. Discover Coronado partners with Blue Onion Media, a trusted firm known for its media placement expertise. They research, deploy, and measure campaigns that keep Coronado resorts on the radar of meeting planners. These efforts include digital, video, and email campaigns, geo-targeted tradeshow marketing, lead generation through industry publications, keyword search, and destination promotion on Cvent, the industry's leading platform for meeting RFPs. Since July, these efforts have generated **28 million** impressions and **216,901 web visits** business leads, ensuring that Coronado remains a top consideration for group meetings. A close relationship with Visit California produced a unique opportunity in January 2026. Discover Coronado took over the extensive social media channels of Visit California (3.2M followers) to reach meeting planners prospecting the west coast. This opportunity came at no cost to Discover Coronado and comes at a time when group meeting numbers are declining across the country.

# Economic Impact Study

## Quantifies impact of group meetings during CY25

Coronado hosted more than 71,500 group hotel visitors in 2025, an expansion of 28.2% over the prior year. Best of all, most group meetings occur during the off-season, when Coronado's resorts and local businesses need customers and revenue. Each of the 71,500 visitors represent an average revenue value of \$1,615, equal to \$415 per visitor per day throughout Coronado Island.

Overall room demand in Coronado increased to more than 424,000 room nights in 2024. Group travel accounted for 164,000 room nights, approximately 39% of total room demand. Completion of hotel room renovations at the Hotel del Coronado in Q2 2025 significantly boosted hotel demand gains through an increase in available rooms for group travelers.

The 163,993 group room nights in 2025 generated \$69 million in lodging spending and \$115.5 million in total visitor spending. This includes visitor spending on transportation, restaurants, retail, recreation, and other services.

Business meetings continued to drive group visitor room nights in 2025, increasing its share significantly.

The rapid expansion of room supply in the summer of 2025 induced strong growth of group visitors as newly renovated spaces were reopened to host large group events again.

## Study Headlines



**71,515**  
group visitors to Coronado



**\$115.5 Million**  
visitor spending



**\$166.7 Million**  
total economic impact



**962**  
total jobs supported



**\$9.1 Million**  
local taxes

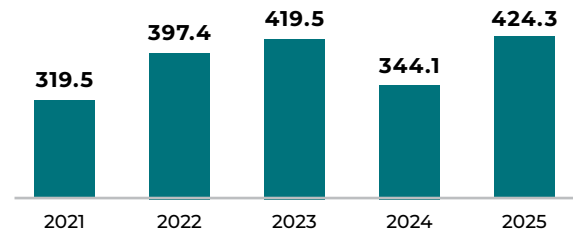
## Summary of Group Market Profile

	2024	2025	2025 Growth
<b>Group room nights</b>	119,692	163,993	<b>37%</b>
<b>Group visitors</b>	55,792	71,515	<b>28.2%</b>
<b>Spending per group visitor</b>	\$1,512	\$1,615	<b>6.8%</b>
<b>Spending per visitor per day</b>	\$413	\$415	<b>0.5%</b>

## Total Hotel Room Nights Sold

Coronado room nights sold **increased 23.3%** in 2025, or around 80,200 room nights

Coronado Hotel Room Nights Sold  
Amounts in thousands

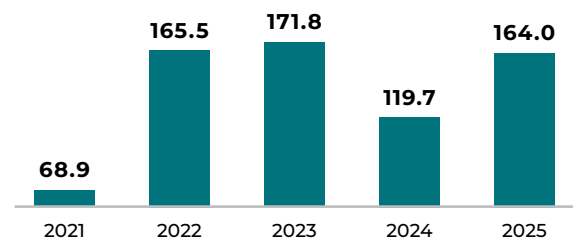


Source: STR, Tourism Economics

## Coronado Group Nights Sold

Group room nights **expanded 37%** in 2025. Due to finished renovations on hotel rooms, supply dramatically increased over the prior year, and facilitated significant year-over-year demand growth.

Coronado Group Room Nights Sold  
Amounts in thousands

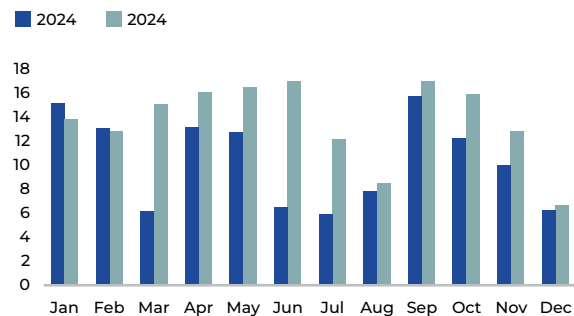


Source: STR, Tourism Economics

## Coronado Monthly Group Nights Trends

Group hotel room nights sold measured above 2024 levels in all months of the year, except January and February. June saw the largest change in group visitors year-over-year, **exploding 162.6%** in 2025.

Coronado Group Room Nights Sold  
Amounts in thousands

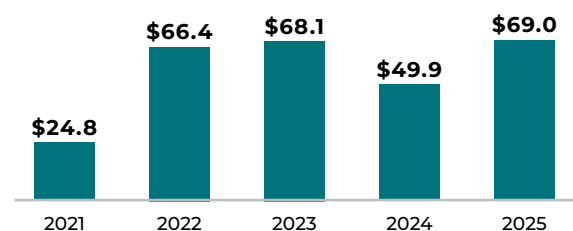


Source: STR, Tourism Economics

## Coronado Hotel Group Revenue

Group room revenue tallied **\$69 million** in 2025, a total **increase of \$19.2 million**. Group revenue growth was buoyed by the completion of hotel renovations. As Coronado hotels regained the room supply necessary to hold group events, group room demand and revenue rebounded in 2025.

Coronado Hotel Group Revenue  
\$ in millions



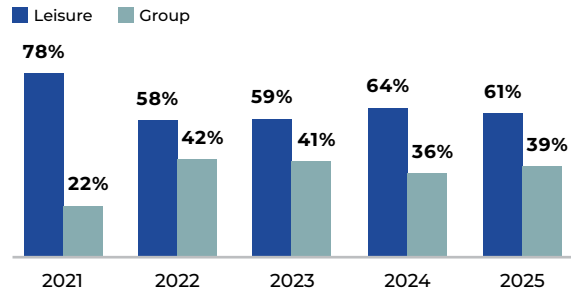
Source: STR, Tourism Economics

## Room Demand Segmentation

While leisure remained the largest demand segment, the group segment continued to account for a substantial share of Coronado's total room demand. The share of group nights sold **increased to 39%** in 2025, after reaching 36% in 2024.

### Room Demand Segmentation

% share of total room nights



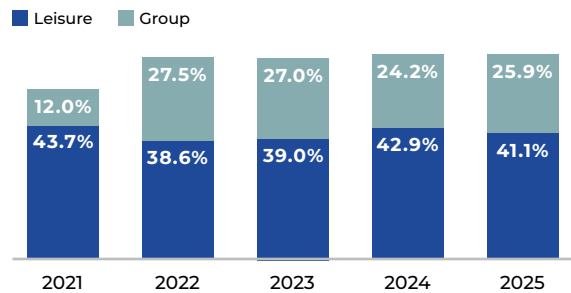
Source: STR, Tourism Economics

## Occupancy Rates, by Segment

The overall occupancy rate for Coronado Hotels was 67.1% in 2025, roughly on par with 2024 levels. Group occupancy **increased by 1.7 percentage points** in 2025. The leisure segment's share of occupancy decreased by 1.7 percentage points to 41.1%.

### Room Demand Segmentation

% share of total room nights



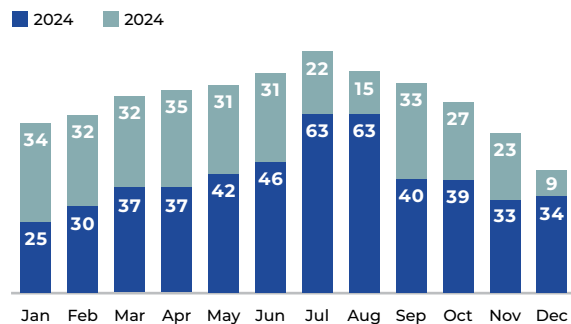
Source: STR, Tourism Economics

## Coronado Monthly Hotel Occupancy, by Segment

Group occupancy remained a key driver for occupancy during the winter and spring months (January through April). In addition, group business represented a significant share of occupancy in leisure-driven summer months (June through August). That growth is tied to the re-opening of the Hotel del Coronado.

### Coronado Monthly Hotel Occupancy, by Segment

% of available rooms

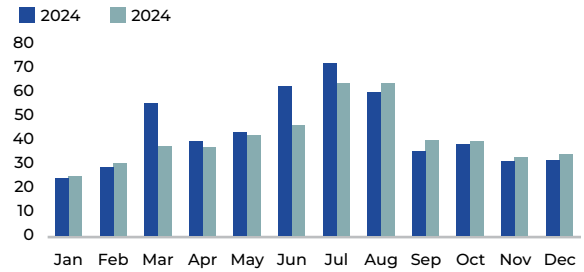


Source: STR, Tourism Economics

# Coronado Leisure Hotel Occupancy

Leisure hotel occupancy outperformed 2024 in January, February, and from August to December; a majority of the year 2025.

## Coronado Leisure Hotel Occupancy % of available rooms

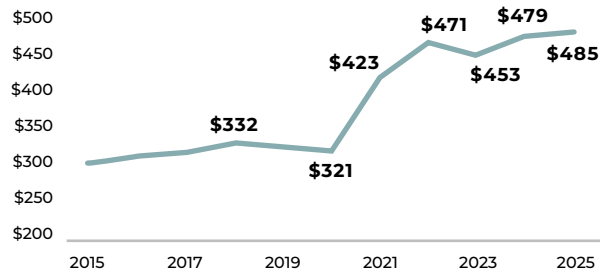


Source: STR, Tourism Economics

# Average Daily Rate (ADR)

In addition to increases in room supply and demand, ADR in Coronado **rose 1.3%** year-over-year to \$485 per room night.

## Average daily rate (ADR) \$ dollars



Source: STR, Tourism Economics

This data was tabulated with group and guest reporting during Calendar Year 2025 at the four resorts that comprise Discover Coronado: Hotel del Coronado, Loews Coronado Bay Resort, Coronado Island Marriott Resort and the Glorietta Bay Inn.



CALENDAR YEAR 2025

# By The Numbers

**67% (Flat)**

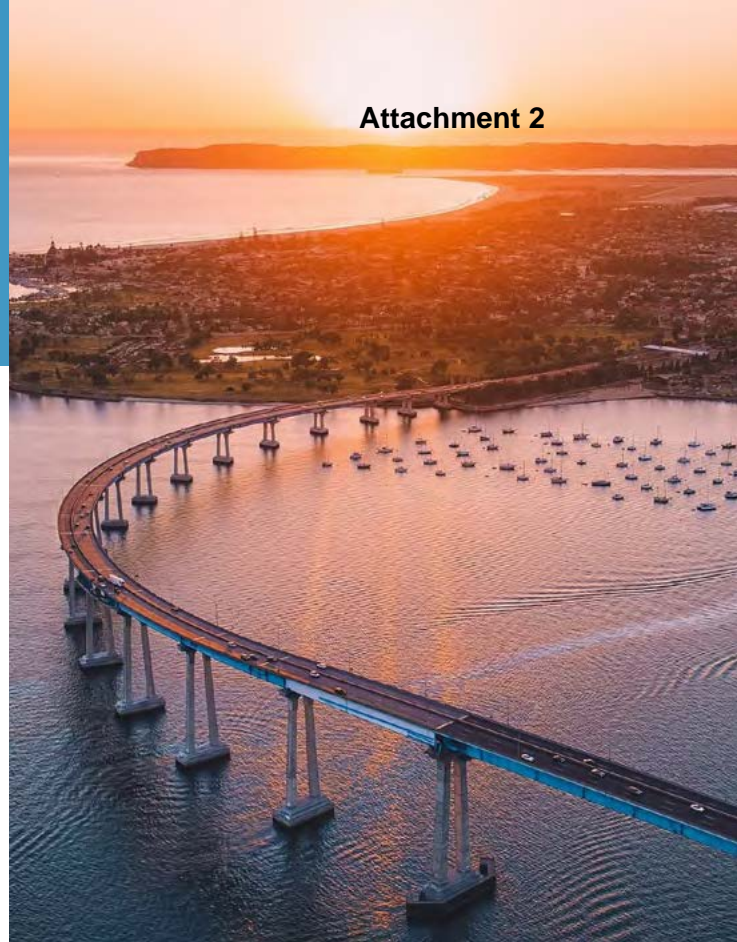
occupancy

**\$485 (+1.3%)**

average daily rate (ADR)

**(+1.6%)**

revenue per available room (RevPAR)



## Leisure Guest Strategies

Discover Coronado continues to strategically invest in marketing that drives meaningful economic impact for the island's resorts and local businesses. While the budget for group meetings is more than double that of leisure guest acquisition, the leisure travel program consistently delivers strong returns and helps smooth the seasonal fluctuations of group business.

As prices rise, especially at the premium end of the market, travelers are relying more heavily on expert guidance from travel advisors to help them prioritize value, flexibility and meaningful experiences. Because of this, Discover Coronado targeted elite travel agents who influence decisions for the world's most affluent travelers.

In September, the Hotel del Coronado hosted the national convention of Signature Travel Advisors, placing Coronado squarely in front of top-producing agents. A new partnership with Signature unlocked opportunities to spotlight each assessed resort through exclusive marketing platforms, high-impact live presentations, and face-to-face networking. It positioned Coronado as a premier luxury destination for high-value leisure travel.

Our efforts remain focused on high-household-income travelers in key source markets — including Portland, San Francisco, Seattle, Phoenix, Los Angeles, Orange County, and Denver — where demand for premium leisure stays is most promising.

Since July, campaigns across Facebook, Instagram, YouTube, and other digital channels have generated:

**5.4 Million**  
impressions

significantly broadening Coronado's visibility among affluent audiences.

The campaign has delivered:

**43,900** clicks      **22,505** website visitors

**1,400** verified visitors

have been attributed to the campaign since the start of the fiscal year



It's this  
kind of day.



With a sense of urgency, as economic uncertainty led some travelers to postpone plans, Discover Coronado repurposed a portion of the FY26 budget to sustain and extend marketing exposure. This reinvestment was specifically designed to support visitation during the traditionally slower period from January through March, when local businesses most feel the impact of seasonality.

In August 2025, the organization refreshed its video and photo library capturing Coronado's unique coastal charm. The assets were quickly turned into dynamic banner ads and video content that elevated the overall look of marketing efforts and website.

In October 2025, the Board received a comprehensive summary of public relations efforts. They have effectively supplemented paid marketing with coverage in key publications and strategic influencer partnerships. To address erosion in leisure travel, the Board expanded PR outreach to engage affluent travelers who are less impacted by broader economic challenges. In January, Travel + Leisure featured Coronado as a luxury destination during the off-season. Since July these public relations efforts have generated 60 pieces of coverage through publications with an audience reach of 910 million.

**Because San Diegans are unlikely to occupy hotel rooms, Discover Coronado does not market in San Diego.**

## Advocacy

While water quality along Coronado's coastline has shown meaningful improvement since 2024, the work is far from complete. In May 2026, the Executive Director will stand alongside a large delegation from CalTravel, the advocacy arm of Visit California, to engage state leaders in Sacramento. This coordinated effort will champion multiple tourism causes, including state support for permanent, long-term solutions to the Tijuana River sewage crisis. This issue is critical to public health, environmental stewardship, and the vitality of the assessed resorts.

In January, the Executive Director joined other San Diego leaders in briefing Congresswoman Sara Jacobs on impacts of tariffs, travel visa policy, immigration enforcement and sewage water containment.



## NASCAR DISCOVER CORONADO SAN DIEGO

Discover Coronado's partnership with Sports San Diego helped, in a small way, to foster a major new attraction in June. The three-day NASCAR event at Naval Air Station North Island will put Coronado in the national TV spotlight, introducing the destination to an entirely new audience of travelers. This marquee event is expected to draw high-income households eager to experience the Navy's one-of-a-kind racetrack and Coronado's small-town charm.

Discover Coronado is exploring ways to bring NASCAR fans to local retail outlets and restaurants so the entire destination benefits.

# Who is Discovering Coronado Island?

Discover Coronado uses data to measure hotel occupancy, and consumer profiles. Visitor data from Calendar Year 2025:

## 1.5 days

length of stay for most visitors

## 72%

of all guests were stayed overnight

## 61%

of all guests visited for the first time

## 81%

of all guests arrived from California  
(followed by Arizona, Texas, Nevada and Florida)

### The largest group of all guests:

- Earned \$150,000+ annually (24%)
- Were age 65+ (16%)

### Top 5 points of interest:

1. Hotel del Coronado
2. Coronado Golf Course
3. Balboa Park
4. Spreckels Park
5. San Diego Zoo



# Community

While the assessment that funds Discover Coronado is designed to support the resorts, the organization budgets over \$100,000 for local initiatives that enhance the destination as a whole. Notable projects include extending investments for the artistic banners that line Orange Avenue (\$36,000) and the community's holiday tree (\$30,000). Funds are also held for community initiatives such as wrapping the Free Summer Shuttles (approximately \$30,000.)

DiscoverCoronado.com includes a dedicated events page that serves as an easy, go-to resource for what's happening on the island. This popular web page is supported by strategic partnerships and targeted leisure marketing. Working with the SDTA, these efforts include social media reels and monthly email campaigns sent to 125,000 affluent subscribers through vendors like eTarget. When promoting events such as the Art & Wine Festival, Flower Show, and MotorCars on MainStreet, the emails consistently achieve 30% open rates—well above the hospitality industry average.

The 2025 Coronado Job Fair connected residents of all ages with local employment opportunities at the centrally located Winn Room. Recruiters from island employers—including hotels and the Parks & Recreation Department—reported 214 open positions, many at Hotel del Coronado. Within 90 days, employers said at least 40% of those positions received qualified candidates and resumes, showing the event's measurable impact.



# Dedicated Staff

A small but veteran team of three executes the directives and work plan established by the Board of Directors. Under the leadership of the Officers, Executive Director Todd Little oversees the organization's mission, broad scope of work, and daily operations, including all financial systems, guest acquisition strategies, and branding. Destination Sales Director Shari Stauder leads group meeting efforts and manages key client relationships, ensuring strong results in the conference sector. Adriana Villagrana leads multiple programs and advises the leadership team on strategies that ensure operational continuity and marketing excellence.

In late 2025, Discover Coronado relocated its office to 1033 B Avenue in Coronado.



Todd Little  
Executive Director



Shari Stauder  
Destination Sales Director



Adriana Villagrana  
Project Manager

## FY27 Management Goals

### District One

- Invest in AI accuracy abilities
- Update group marketing assets and materials
- Expand partnerships with Visit California and SDTA
- Raise awareness of Discover Coronado merits

### District Two

- Begin development of mobile-centric website
- Foster community strategies with NASCAR
- Elevate social media content and reach
- Advocate for long-term water quality solutions

# Community Sponsorships

Recognizing the importance of attracting travelers to Coronado during the off-season, Discover Coronado’s sponsorship program helps sustain visitor activity when the community benefits most.



Each year, the Board of Directors allocates \$20,000 to support off-season events, awarding ten local organizations \$2,000 sponsorships to help their events inspire travel to the island.

1. Historic Home Tour
2. Holiday Parade and Open House
3. MotorCars on MainStreet
4. Coronado Island Film Festival
5. Coronado Flower Show
6. PAWS Ruff Run
7. Taste of Coronado
8. Rady’s Turkey Trot
9. Valentine’s Day 10K
10. Navy Bridge Walk/Run



*MotorCars  
on  
MainStreet*



# Foundational Details

The guidelines set in the ordinances that established Discover Coronado (then Coronado Tourism Improvement District) are strictly adhered to. There were no changes in the defined boundaries.

The assessment itself was unchanged, continuing to levy resorts with more than 90 rooms in Coronado, California. The half percent assessment for each of the two districts of Discover Coronado is based on gross hotel room revenue.

Discover Coronado does not receive revenue from the federal resources, the State of California, the City of Coronado, local businesses, or residents. The only gains made are with reserves that generate interest or dividends.

A special services agreement with the City of Coronado requires quarterly activity reports and financial statements from Discover Coronado. Similar reports are included in the meeting packets made available to the public.

Financial statements for Discover Coronado are prepared by an independent, off-site bookkeeper. Reserve investments are managed and reported by a licensed financial planner that was vetted by the Advisory Board. Considine and Considine prepare and file federal and state tax documents for the organization.

In FY26, Discover Coronado will audit its financial systems.



## Outlook & Possible Outcomes

Coronado's position as an exclusive luxury market should work in its favor in 2026. Upper income households—less sensitive to higher prices—continue to spend, supported by the wealth effects of elevated stock and home values. This segment has effectively put a floor under demand since early 2025 and is expected to do so through the next year. According to MMGY Global, **90% of households earning \$150,000–\$249,000 plan to travel in 2026**, along with 84% of households earning more than \$250,000, compared with just 67% of households earning under \$100,000. Reflecting this dynamic, CoStar/STR and Tourism Economics **forecast 2.1% revenue growth for upper tier San Diego hotels in 2026**, versus 1.4% growth for the market overall.



Nate Kelley,  
Director of Research,  
San Diego  
Tourism Authority

# Who Benefits from Discover Coronado



FY27

# Budget

<b>ASSESSMENT - OTHER REVENUE</b>	
Projected Assessment	\$2,300,000
Earnings from Reserves	\$56,000
<b>REVENUE TOTAL</b>	<b>\$2,356,000</b>
<b>GROUP SALES &amp; GUEST ACQUISITION</b>	
San Diego Tourism Authority Partnership	\$475,000
Fams Trips - Inbound Expenses	\$80,000
Sales Trips - Client Events - Sales Gifts	\$75,000
Trade Shows - Outbound Expenses	\$80,000
Service Credits - Site Expenses	\$60,000
Group Sales Marketing - Cvent Tools	\$345,000
Destination Sales Director	\$120,000
Destination Sales Director Goal Commission	\$25,000
Leisure Marketing	\$175,000
Economic Impact Study - Symphony - Attrition	\$75,000
Website Service - Booking Tool	\$25,000
Photography - Video - Content	\$50,000
Group Organization Memberships	\$25,000
IMEX America + Booth Update	\$20,000
Keep It In Coronado Incentive	\$10,000
AI Optimization Strategy	\$25,000
<b>ACQUISITION TOTAL</b>	<b>\$1,670,000</b>
<b>COMMUNITY PROGRAMS</b>	
Local Initiatives - Services	\$75,000
Community Sponsorships	\$20,000
Public Relations - 6 months	\$62,000
<b>COMMUNITY TOTAL</b>	<b>\$157,000</b>
<b>OPERATIONS</b>	
Accounting - Bookkeeping - Tax Preparation	\$5,500
Legal - Consulting - License - Fees	\$5,500
Equipment - Software - Digital - Web	\$6,000
Supplies - Postage - Phone	\$3,500
Insurance - Business Coverage	\$7,000
Creative Design - Assets	\$12,500
Administrative Fee - City of Coronado	\$10,000
Rent - Relocation	\$41,000
Misc. Expense	\$8,000
Executive Director	\$136,500
Executive Director Goal Bonus	\$20,000
Project Manager	\$92,820
PT Content Coordinator	\$60,000
Payroll Tax	\$40,000
Benefits	\$66,300
401K Merit Matching	\$10,500
<b>OPERATIONS TOTAL</b>	<b>\$525,120</b>
<b>TOTAL EXPENSES</b>	<b>\$2,352,120</b>
<b>NET PROFIT</b>	<b>\$3,880</b>