



**SAN DIEGO TOURISM MARKETING DISTRICT
BOARD OF DIRECTORS MEETING
Bahia Resort Hotel: Marina Room
998 West Mission Bay Drive, San Diego, CA 92109
Friday, October 22, 2010
9:00 am to 12:30 p.m.**

MINUTES

Roll Call

C. Terry Brown, Chairman, called the meeting to order at 9:05a.m.

Board members present: Terry Brown, Richard Bartell, Kerri Robinson, Mohsen Khaleghi, and Bob Rauch.

Board members absent: Patrick Duffy, Luis Barrios, Ray Warren and Bill Evans.

Also in attendance: Lorin Stewart, Executive Director, Jere Batten, from Batten Accountancy Inc., and John Lambeth, legal counsel.

John Lambeth reported that members of the audience are welcome to address the Board on items on the agenda and items not on the agenda. Mr. Lambeth stated that Board members are discouraged from speaking with applicants and must disclose any communication they have had with an applicant. Mr. Lambeth also informed the Board of the rules associated with recusal.

ACTION ITEMS:

- 1. Approval of Minutes:
A motion was made by Richard Bartell to approve the minutes. There was a second from Mohsen Khaleghi. Yes 5, No 0, Abstain 0.**
- 2. FY 2010 SD Sports Commission Budget Reclassification:
Alan Kidd requested a reclassification of \$4700 in personnel time. A motion was made by Richard Bartell to request the budget reclassification. There was a second from Kerri Robinson. Yes 4, No 0, Abstain 1 (Rauch).**
- 3. FY 2011 San Diego North CVB/Convis Sales & Marketing Plan, Budget and MOU
Joe Terzi summarized the item. Terry Brown stated that SD North and Convis reached an agreement on a MOU. The new structure will be more efficient than the previous structure. Terzi reviewed the points of the MOU.**

Bartell asked about non-TMD income for SD North. Terzi stated that he did not anticipate any significant non-TMD revenue. Rauch asked about any remaining assets of SD North. Terzi described how all of the assets are being handled.

Terzi presented the SD North proposed marketing plan. SD North has 46 hotels. 23 of the 46 are limited service hotels. Convis has worked to categorize all of the hotels and develop specific tactics for each. In addition, Terzi described a consolidation of the sports marketing budgets of Convis, SD North and the Sports Commission. Lorin Stewart mentioned that the sports consolidation is a trial effort. Terzi agreed and said the consolidation has the potential to significantly enhance the sports marketing program.

Bartell stated that the idea is very exciting. This is the first time that there is a consolidation city-wide. Kerri Verbeke Kapich provided details on the advertising strategies. Rauch presented the revised detailed budget, including summaries by department and details on proposed expenditures over the next 3 quarters.

Marketing should be paid on a 100% reimbursement basis. Sales: 95% because 95% of sales have been into TMD hotels. 80% for G&A. Meredith Dibden-Brown stated that the city is supportive of those percentages.

Bartell asked about historical bookings in SD North and how it compares to future projections. Bartell asked if Convis has a projected ROI.

Terzi said that the projection for SD North production is between 80-100k guest room nights. Terzi and Kerri described how Convis will measure ROI for each segment of the program.

Bartell said that the report is comprehensive and detailed and is an outstanding marketing plan. Rauch agreed. Rauch said it was very well done. Rauch said that he would have no objection to assisting submarkets if these submarkets were struggling.

A motion was made by Bob Rauch to approve the SD North revised budget. There was a second from Richard Bartell. Yes 5, No 0, Abstain 0.

A motion was made by Mohsen Khaleghi to approve the Convis revised budget. There was a second from Brown. Yes 5, No 0, Abstain 0.

Informational Items:

Lorin Stewart said today, October 22, 2010, is the deadline for applications for FY 2012 requests. Terzi gave an update on PCMA. Hampton Brown from the Airport Authority presented an introduction to the proposed UK British Airways promotion. He said that the UK is SD's largest overseas market. He described the new British Airways flight direct from Heathrow. He detailed the opportunities to partner to gain maximum yield from the new route.

Incremental – asking for \$500,000 over 2 years. Brown asked about BA's commitment to keep the route for 2 years. Terzi said that the destination has made a commitment to support the effort. Khaleghi asked about the commitment. Terzi said that the commitment so far is to do the necessary marketing. The airport has made a \$750,000 commitment. The port has not made a commitment yet. Khaleghi said he is supportive of the proposal. Khaleghi asked about how TMD revenue is going compared with the budget.

Bartell asked about level of request from the Port. Rauch asked about the World Travel Mart. Khaleghi asked why the TMD is being asked for \$600,000 without a ROI evaluation. Terzi said it was a good estimate. In addition, he said they probably would be requesting approximately \$100,000 from the Port.

Terzi provided information on the request to fund PCMA. He reviewed the \$800,000 requested and the projected ROI. Brown commended Terzi, Kidd and the Boards of Convis and SD North on developing the proposed program. Lorin Stewart thanked everyone for their participation in the SDSU Course survey. The SD chapter of Public Relations Society of America has awarded the TMD first place award for the white paper.

Next meeting will be held on November 19, 2010.

Motion to Adjourn

The meeting was adjourned by Chairman Brown without objection at 11:12a.m.

**Approved _____ Date _____
Luis Barrios, Secretary**