

**SAN DIEGO TOURISM MARKETING DISTRICT
BOARD OF DIRECTORS MEETING
Bahia Resort Hotel: Marina Room
998 West Mission Bay Drive, San Diego, CA 92109
Friday, September 16, 2011
9:00 am to 12:30 p.m.**

MINUTES

Roll Call

C. Terry Brown, Chairman, called the meeting to order at 9:06a.m.

Board members present: Terry Brown, Bill Evans, Mohsen Khaleghi, Bob Rauch, Richard Bartell, Ray Warren.

Board member absent: Patrick Duffy, Luis Barrios and Keri Robinson.

Also in attendance: Jere Batten, Lorin Stewart, Executive Director 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.

PUBLIC COMMENT

Cruise Program of San Diego

A representative from the cruise program of San Diego reported that the program at the Port of San Diego has been down but there are many opportunities. A consultant stated that business will be back in 2015, or 2016 at the latest. One ship can make the difference. The cruise program will continue to market aggressively along with cruise lines.

Bill Evans asked about other local events being held at the Port of San Diego. He expressed concern about a subsidized facility holding local events.

The cruise program representative responded that the Port of San Diego has hosted one prom and other local meetings there. Also, the Port of San Diego does not have a hotel, kitchen or catering facility on site.

Dr. Mick Hagger- San Diego Natural History Museum

Dr. Hagger reported that he has an opportunity to bring the Titanic Exhibition to the museum. The exhibition has attracted 22 million visitors throughout the world. He would like to find a way to partner with the TMD on this exhibit.

Richard Bartell asked what locations the exhibit has stopped at in the past. Mr. Bartell also asked about the breakdown of past visitor demographics in past locations- local attendees versus out of town visitors.

Michelle Meter- San Diego Food & Wine Festival

Ms. Meter provided an update and said the projections for the festival look very good. Their hotel bookings are up 40% compared to this time last year.

INFORMATIONAL ITEMS

1. **TMD Renewal Progress:** Lambeth gave an update on the status of renewal the MDP is planned to be finalized in October or November. Meredith Dibden Brown confirmed the council dates.

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 6, No 0, Abstain 0.
2. **SDTMD Executive Summary**
Terry Brown reported that an ad hoc committee met. Bill Evans moved to hire Tourism Economics to conduct a study. There was second from Ray Warren. Yes 6, No 0, Abstain 0.

Bill Evans suggested that San Diego be proactive in long-term planning for the destination. Evans motioned to create an Ad Hoc committee to further work on a destination resort master plan. There was second from Bob Rauch. Yes 6, No 0, Abstain 0.
3. **SDTMD Annual Meeting and Annual Report Items**
Lorin Stewart asked for a reallocation of annual meeting expenses to a renewal line item. Ray Warren motioned to accept reallocation. There was a second from Terry Brown. Yes 6, No 0, Abstain 0.
4. **FY 2011 Single Line Item Revision: Competitor Group Budget**
Lorin Stewart discussed the request to recode a portion of their "Marketing-Public Relations" budget into "Marketing-Advertising". Richard Bartell motioned to accept recode. There was a second from Ray Warren. Yes 6, No 0, Abstain 0.
5. **FY 2012 Single Line Item Revision: Maritime Museum of San Diego Budget**
Lorin Stewart discussed the request to recode a portion of their "Marketing-Collateral" budget into "Marketing-Advertising". Robin from the Maritime Museum of San Diego reported on the exhibit. Robin reported that the term may be extended through June 2012. Terry Brown motioned to accept recode. There was a second from Richard Bartell. Yes 6, No 0, Abstain 0.
6. **FY 2012 Advance Request: San Diego Bay Wine & Food Festival**
Lorin Stewart discussed a formal request for a 15 % (\$11,250) advance requested by San Diego Bay Wine and Food Festival. Bob Rauch motioned to approve the advance of funds to San Diego Bay Wine and Food Festival. There was a second from Terry Brown. Yes 6, No 0, Abstain 0.
7. **Balboa Park Celebration Corporation Request**
Lorin Stewart reported that the Balboa Park Corporation was awarded \$300,000, previously from the SDTMD.

Mike McDowell introduced Mark Germyn. He has been hired to assist with the Balboa Park celebration.

Mark gave information on his background and discussed the opportunities for Balboa Park.

Mike McDowell requested that \$50,000 of the \$300,000 authorization, be made available now prior to completion of MOU. The contract would be with the San Diego Foundation. Bill Evans moved to authorize \$50,000 to be granted to San Diego Foundation. There was second from Ray Warren. Yes 6, No 0, Abstain 0.

8. FY 2012 Final Budget: CONVIS Subcontract with SD Sports Commission
Lorin Stewart explained that the revised FY 2012 budget for the subcontract for the Sports Commission is \$227,000 up from \$220,000. Mohsen Khaleghi motioned to make the proposed change. There was second from Bob Rauch. Yes 6, No 0, Abstain 0.

9. CONVIS Proposed Uses of FY2011 Carryover Funds

Joe Terzi discussed the uses of the FY 2011 carryover funds. The total carry over to FY 2012 is now approx. \$2.3 million.

Richard Bartell asked about the media and production. Evans asked if CONVIS is fully staffed. Joe Terzi said yes CONVIS is fully staffed with a couple of small exceptions. Ray Warren asked about the vacancies on staff. Ray Warren motioned to accept proposed uses of carry over funds. There was a second from Terry Brown. Yes 6, No 0, Abstain 0.

10. CONVIS reported on Sub-Marketing

Joe Terzi reported that they have developed ideas for developing sub-marketing plans for sub-areas. He asked for comments from board members.

Bob Rauch asked about the response from San Diego North GMs. Joe Terzi said he had talked with various groups and although there are concerns, there is support to move in this direction.

Terry Brown said the representatives he met with from San Diego North liked this approach.

Ray Warren expressed concern that any funds spend in sub-areas, are funds not spent on the broader destination.

Joe Terzi said that we need to be selective about what qualifies as a sub-area.

Terry Brown stated that the proposal for renewal is to bring possible sub-area approval to the TMD board.

Richard Bartell said the reason to look at sub-markets is to equalize the ROI. Many of CONVIS' activities have a higher ROI for downtown. Looking at sub-markets that are truly marketable helps equalize the ROI.

Bob Rauch said he likes the ideas but wanted to make sure 10% was spent on San Diego North.

Kerri Verbeke Kapich from CONVIS gave an overview.

Paul from Mering Carson discussed the development of the specific marketing campaign. He talked about ideas generated and then tested in focus groups. Paul presented TV spots, radio spots, and print materials.

Richard Bartell said the TV spots are the best ever done. Ray Warren agreed. Board asked questions about the radio spots.

Bill Evans asked about the use of the song in the radio spots.

Richard Bartell and Ray Warren discussed the selection of emerging markets.

Richard Bartell said the radio spots are really bad. He encouraged them to revisit the radio ads. Bob Rauch and Terry Brown agreed.

The meeting was adjourned by Chairman Brown without objection at 11:00 a.m.

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