

FY 2009 INTERIM REPORT OF ACTIVITIES
(July 1, 2008- March 26, 2009)

San Diego Tourism Marketing District

San Diego Tourism Marketing District

Established by Resolution: R-303226 on December 12, 2007
Effective January 1, 2008 through December 31, 2012

Agreement Between City and SDTCP

Approved by Resolution: R-303621 on April 28, 2008
Effective April 1, 2008 through March 31, 2012

Advisory Board:

San Diego Tourism Promotion Corporation (SDTPC)
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Assessment Methodology: The assessment amount shall be, and shall not exceed, two (2) percent of gross room revenue, minus exempt revenues, for lodging businesses with seventy (70) or more sleeping (R-2008-451) rooms located within the TMD. Gross room revenue is defined as the “total consideration charged to a transient, as shown on the guest receipt for the occupancy of a room, or portion thereof, in a hotel.” For purposes of the collection of assessments, gross room revenue minus exempt revenues may also be referred to as “assessable rents.

For FY 2009, no changes are proposed to the boundaries or basis / method of assessment. There are no defined benefit zones or clarification of boundaries.

Available Tourism Marketing District (TMD) Funds for FY 2009:

Projected Assessments Based Upon Current Market Forecast:	\$ 25,855,175
Projected Interest	\$ 38,649
Projected FY 2008 Carryover from Opportunity / Catastrophe fund:	\$ 5,427,629
Contributions From Other Sources:	\$ 0
Total FY 2009 Funds Available:	\$ 31,321,453

Expenditures for FY 2009:

Pursuant to San Diego Tourism Marketing District Management Plan September 2007:

FY 2009 Fixed Allocations:

-San Diego CVB:	(50% of Assessment Collected)	\$14,048,359
	<i>(FY 2009 \$12,927,587 + FY 2008 Carryover of \$1,120,772)</i>	
-San Diego North CVB:	(10% of Assessment Collected)	\$ 3,502,262
	<i>(FY 2009 \$2,585,518 + FY 2008 Carryover of \$916,744)</i>	

FY 2009 Fixed Allocations: Continued

-Accessible San Diego:	\$ 65,040
-California State Games:	\$ 15,427
-San Diego Crew Classic:	\$ 4,648
-Elite Racing:	\$ 19,518
-San Diego Film Commission:	\$ 661,816
-San Diego Bowl Game Association	\$ 391,136
-San Diego Hall of Champions	\$ 37,500**
-International Sports Council	\$ 182,900**

***Note that in Fy 2009, HOC and Sports Council merged into SD Sports Commission

Total Fixed Allocations **\$18,928,606**

Administration **\$ 930,340**

Variable Distribution **\$ 9,577,503**

Opportunity / Catastrophe Reserve (5% of Assessment Collected) **\$ 894,293**

LA Market Stimulus \$449,293 + OTA of \$445,000

TOTAL FY2009 BUDGETED EXPENDITURES **\$ 30,330,742**

TOTAL REMAINING FOR FY 2009 CARRYOVER to FY 2010 **\$ 990,711**

(Includes administrative interest of \$38,649 and Opportunity/Casastrophe Reserve balance of \$952,062)

FY 2009 VARIABLE DISTRIBUTION:

FY 2009 COMPETITIVE INCREMENTAL TMD FUNDED PROGRAMS:		
	CONVIS Amgen Tour	25,000
	CONVIS UK Promotion	350,000
	CONVIS Online Travel Agents -OTAs	210,000
	CONVIS Summer Stimulus Phase 2	500,000
	CONVIS Summer Stimulus Phase 1	1,200,000
	CONVIS –ASAE Sponsorship	500,000
	CONVIS –ASAE Sponsorship entertainment	50,000
	CONVIS LA Market Stimulus	2,162,707
	Elite Racing	50,000
	CONVIS –National Cable B	3,524,246
	California State Games	8,000
	California State Games B	25,000
	San Diego Crew Classic	50,000
	SD Sports Commission: USA Rugby 7's	194,000
	San DieGO Downtown	20,000
	CONVIS SD Online Tourism Marketing Assoc.	290,000

FY 2009 VARIABLE DISTRIBUTION: Continued

COMPETITIVE INCREMENTAL FUNDING: <i>Continued</i>		
	SD Sports Commission: Red Bull Air Races	125,000
	Accessible San Diego	30,000
	SD Film Commission	46,300
	CONVIS: Meetings Database Institute	217,250
	Total Competitive Incremental Funding	9,577,503

FY2009 COMPETITIVE INCREMENTAL FUNDING ROI AND RANKING DETAIL:

NOTE: As of submittal date, only Q1 and Q2 ROI reports have been received (through December 31, 2008). Q3 ROI reports are due on May 31, 2009.

a. CONVIS Amgen Tour: \$ 25,000**i. Score Ranking:**

- Directors' Aggregate Score: Prior to App. Process

ii. Return on Investment (ROI)-minimum:

- 1,300 total hotel room nights
- \$188,500 @ \$145.00 ADR (average daily rate)
- 7.54 ROI

iii. Actual FY 2009 ROI Q1 &Q2:

- NA: Due to event timing, report in Q3

b. CONVIS UK Promotion: \$350,000**i. Score Ranking:**

- Directors' Aggregate Score: Prior to App. Process

ii. Return on Investment (ROI)-minimum:

- 206,880 total hotel room nights
- \$ 29,997,600 @ \$145.00 ADR (average daily rate)
- 85: 1 ROI

iii. Actual FY 2009 ROI Q1 &Q2:

- 196,000 total hotel room nights
- \$28,420,000
- 81.2:1 ROI

FY2009 COMPETITIVE INCREMENTAL FUNDING ROI AND RANKING DETAIL:
Continued

c. CONVIS Online Travel Agency Campaign: \$210,000 pt 1

i. Score Ranking:

- Directors' Aggregate Score: Prior to App. Process

ii. Return on Investment (ROI)-minimum:

- 197,000 total hotel room nights
- \$28,565,000 @ \$145.00 ADR (average daily rate)
- 136:1 ROI

iii. Actual FY 2009 ROI Q1 &Q2:

- 98,999 total hotel room nights
- \$11,883,871
- 56.6:1 ROI

d. CONVIS Summer Stimulus Phase 1 &2: \$1,700,000

i. Score Ranking:

- Directors' Aggregate Score: Prior to App. Process

ii. Return on Investment (ROI)-minimum:

- 117,749 total hotel room nights
- \$17,073,605 @ \$145.00 ADR (average daily rate)
- 10.04:1 ROI (Aggregate)

iii. Actual FY 2009 ROI Q1 &Q2: (TNS Report)

- 475,924 total hotel room nights
- \$14,062,674 +51,873,136 = \$65,935,810
- 38.78:1 ROI (Aggregate)

e. CONVIS ASAE Sponsorship A+B: \$550,000

i. Score Ranking:

- Directors' Aggregate Score: Prior to App. Process

ii. Return on Investment (ROI)-minimum:

- ROI: Prior to App. Process

iii. Actual FY 2009 ROI Q1 &Q2: Ongoing

Success To Date: Positive reviews continue to flow in from association executives and meeting and convention industry professionals who attended the San Diego ASAE Annual Meeting. Hosting the convention brought in an immediate **\$31.2 million of economic impact**. While the event occurred in mid-August 2008, the ConVis Hotel Meetings department is working hard on follow-up for leads from the convention. ConVis is tracking the leads and definite business through the ConVis lead system and will be reporting the leads and definite room nights at the end of the fiscal year. In addition, the San Diego Convention Center Corporation is tracking its results as well and will report their results to the SDTPC separately.

FY2009 COMPETITIVE INCREMENTAL FUNDING ROI AND RANKING DETAIL:
Continued

f. CONVIS LA Market Stimulus: \$2,612,2000

i. Score Ranking:

1. Directors' Aggregate Score: 3.71

ii. Return on Investment (ROI)-minimum:

1. 113,479 total hotel room nights

2. \$16,454,455 @ \$135.00 ADR

3. 6:1 ROI

iii. Actual FY 2009 ROI Q1 &Q2:

1. NA: This program will occur in Q4 FY 09

g. Elite Racing: \$50,000

i. Score Ranking:

1. Directors' Aggregate Score: 3.0

ii. Return on Investment (ROI)-minimum:

1. 30,800 total hotel room nights

2. \$4,466,000 @ \$145.00 ADR

3. 24:1:1 ROI

iii. Actual FY 2009 ROI Q1 &Q2:

1. NA: This program will occur in Q4 FY09

h. CONVIS National Cable B: \$3,524,246

i. Score Ranking:

1. Directors' Aggregate Score: 3.78

ii. Return on Investment (ROI)-minimum:

1. 249,902 total hotel room nights

2. \$36,235,790 @ \$145.00 ADR (average daily rate)

3. 10:1 ROI

iii. Actual FY 2009 ROI Q1 &Q2:

1. NA: This program will occur in Q3 + Q4 FY 09

i. California State Games: Winter Games: \$8,000

i. Score Ranking:

1. Directors' Aggregate Score: 4.0

ii. Return on Investment (ROI)-minimum:

1. 2,700 total hotel room nights

2. \$391,500 @ \$145.00 ADR (average daily rate)

3. 49:1 ROI

iii. Actual FY 2009 ROI Q1 &Q2:

1. NA: This program occurs in Q3 FY 09

FY2009 COMPETITIVE INCREMENTAL FUNDING ROI AND RANKING DETAIL:

Continued

j. California State Games: 2011 Bid fees: \$25,000

i. Score Ranking:

2. Directors' Aggregate Score: 1.67

ii. Return on Investment (ROI)-minimum:

3. 17,500 total hotel room nights

4. \$2,537,500 @ \$145.00 ADR

5. 51:1 ROI minimum

iii. Actual FY 2009 ROI Q1 &Q2:

6. NA: This program occurs in FY 2012

k. San Diego Crew Classic: \$50,000

i. Score Ranking:

1. Directors' Aggregate Score: 3.57

ii. Return on Investment (ROI)-minimum:

1. 3,500 total hotel room nights

2. \$507,500 @ \$145.00 ADR

3. 10:1 ROI

iii. Actual FY 2009 ROI Q1 &Q2:

1. NA: This program occurs in Q4 FY 09

l. SD Sports Commission: USA 7's: \$194,000

i. Score Ranking:

1. Directors' Aggregate Score: 2.71

ii. Return on Investment (ROI)-minimum:

1. 12,348 total hotel room nights

2. \$1,792,690 @ \$145.00 ADR

3. 9:1 ROI

iii. Actual FY 2009 ROI Q1 &Q2:

1. NA: This program occurs in Q3 FY 09

m. San DieGO Downtown: Time to Spring SD: \$20,000

i. Score Ranking:

1. Directors' Aggregate Score: 2.29

ii. Return on Investment (ROI)-minimum:

1. 397 total hotel room nights

2. \$57,565 @ \$145.00 ADR

3. 3:1 ROI

iii. Actual FY 2009 ROI Q1 &Q2:

1. NA: This program occurs in Q4 FY 09

FY2009 COMPETITIVE INCREMENTAL FUNDING ROI AND RANKING DETAIL:

Continued

n. CONVIS: On Line Tourism Marketing Assoc: \$290,000

i. Score Ranking:

1. Directors' Aggregate Score: 2.40

ii. Return on Investment (ROI)-minimum:

1. 34,864 total hotel room nights

2. \$5,055,280 @ \$145.00 ADR

3. 17:1 ROI

iii. Actual FY 2009 ROI Q1 &Q2:

1. **NA: This program occurs in Q3 and Q4
FY 09**

o. SD Sports Commission: Red Bull Air Race: \$125,000

i. Score Ranking:

1. Directors' Aggregate Score: 3.00

ii. Return on Investment (ROI)-minimum:

1. 6,000 total hotel room nights

2. \$870,000 @ \$145.00 ADR

3. 7:1 ROI

iii. Actual FY 2009 ROI Q1 &Q2:

1. **NA: This program occurs in Q4 FY 09**

p. Accessible San Diego: \$30,000

i. Score Ranking:

1. Directors' Aggregate Score: 2.25

ii. Actual FY 2009 ROI Q1 &Q2:

1. 967 total hotel room nights

2. 135,380 @140.00 ADR

3. 4.5:1 (Incremental)

q. San Diego Film Commission: \$46,300

i. Score Ranking:

1. Directors' Aggregate Score: 2.86

ii. Return on Investment (ROI)-minimum:

1. 3,500 total hotel room nights

2. \$507,500 @ \$145.00 ADR

3. 11:1 ROI

iii. Actual FY 2009 ROI Q1 &Q2:

1. **NA: This program occurs in Q3 and Q4
FY 09**

FY2009 COMPETITIVE INCREMENTAL FUNDING ROI AND RANKING DETAIL:

Continued

r. CONVIS: Meetings Database Institute: \$217,250

i. Score Ranking:

1. Directors' Aggregate Score: 3.00

ii. Return on Investment (ROI)-minimum:

1. 21,750 total hotel room nights

2. \$3,153,750 @ \$145.00 ADR

3. 15:1 ROI

iii. Actual FY 2009 ROI Q1 &Q2:

1. NA: This program occurs in Q3 and Q4
FY 09

I. CONVIS OTA FY 09 /10 Phase 1: \$445, 000

i. Score Ranking:

1. Directors' Aggregate Score: 4.0

ii. Return on Investment (ROI)-minimum: 09-2010

1. 19,448 total hotel room nights (% split out
of total Fy 09 + Fy 2010)

2. \$2,625,500 @ \$135.00 ADR

3. 5.9:1 ROI

iii. Actual FY 2009 ROI Q1 &Q2:

1. NA: This program will occur in Q4 FY 09