

SAN DIEGO TOURISM MARKETING DISTRICT
BOARD OF DIRECTORS MEETING
Bahia Resort Hotel, Shell Room
998 West Mission Bay Drive, San Diego, CA 92109
Friday, February 15, 2013
9:00 a.m.

MINUTES

Call to Order / Introductions:

C. Terry Brown, Chairman, called the meeting to order at 9:08 a.m.

Board members present: Terry Brown, Bob Rauch, Bill Evans, Luis Barrios, John Schafer, Keri Robinson, Patrick Duffy, and Richard Bartell.

Board members absent: Mohsen Khaleghi.

Also in attendance: Lorin Stewart, Executive Director; John Lambeth, Civitas Advisors.

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 applications and must disclose any communications they have had with an applicant. Mr. Lambeth also informed the Board of the rules associated with recusal.

PUBLIC COMMENT

Councilmembers: Councilmember Kevin Faulconer expressed his strong support for the tourism industry. He distributed the letter he sent to Council President Todd Gloria yesterday. He said there are significant harmful effects of the Mayor not signing the agreement with the TMD. Thousands of jobs are at stake.

Councilmember Scott Sherman expressed his support for the tourism industry and said that marketing needs to continue.

Chairman Brown thanked the Councilmembers. Bill Evans suggested that everyone watch the video of the Council meeting from Monday.

San Diego 2015 Celebration: Kevin Swanson reported they are establishing a private non-profit corporation named Promote San Diego. He said he would like the TMD funds to go to this new non-profit.

INFORMATIONAL ITEMS

1. TMD Status: John Lambeth reported that the TMD renewal progress had not changed. The renewal was approved by the Council in November, the collections were continuing, and the agreement with the City has not been signed by the Mayor.

ACTION ITEMS

1. Approval of Minutes: A motion was made by Luis Barrios to approve the February 8, 2013 minutes. There was a second from Richard Bartell. Yes 8, No 0, Abstain 0.

2. FY 2014 Annual Application Presentation: SD Bay Wine & Food Festival: Lorin Stewart gave background on the application process.

Michelle Metter gave an update on the SD Wine and Food Festival. She said this is the last year that they will be requesting funding from the TMD. The festival is ranked as one of the top wine and food festivals in the U.S. All TMD funds received are spent on marketing to customers. Last year's event generated a 14:1 ROI. They are requesting \$70,000 this year for out of market advertising.

Patrick Duffy asked how 2012 room nights compared to the 2013 projections. Richard Bartell asked about this being the final year of the festival requesting TMD funding. Michelle confirmed. Richard Bartell praised Michelle and the event and said the event was a "poster child" of success. Richard Bartell asked about marketing Wine & Food, Beer Festival, and Spirits Festival together.

Bob Rauch said that it is a terrific event. He asked about the distribution of room nights and research methodology. Bill Evans congratulated Michelle on requesting one final year of funding.

3. FY 2014 Annual Application Presentation: SD Spirits Festival: A brief overview of the Spirits Festival was given to the Board. The SD Spirits Festival is the largest spirits festival on the West Coast. The W will be the host hotel. There were 4,000 attendees at the 2012 festival.

Richard Bartell asked why the event is not linked to the Food & Wine Festival.

The festival has had a 30% increase in brands. Actual ROI was 4.26:1 in 2012. They are requesting \$60,000 from the TMD for FY 2014.

Bill Evans asked about the festival doing direct bookings with the hotels. Bob Rauch said his primary concern was that the ROI was too low. John Schafer asked about the projection for a 90% increase in hotel room nights.

4. FY 2014 Annual Application Presentation: SD Brewers Guild: Chris Cramer gave a brief history of SD Beer Week. In 2012 there were 550 events over a few day festival. The closing event was sold out at 60 attendees. In 2010, the ROI was 3.59:1. In 2011, it was 6.26:1. In 2012, it was 11.56:1.

Richard Bartell asked about the distribution of hotel room nights. He also asked about incremental room nights. Bill Evans asked when Beer Week will no longer be seeking TMD funds.

5. FY 2014 Annual Application Presentation: SD Bayfair: A brief history of the Bayfair event was provided. In the past two years, Bayfair has generated more than 26,000 room nights. In FY2013, it generated 13,644 room nights with a 21.68:1 ROI. Their funding request for FY2014 is \$85,000.

6. FY 2014 Annual Application Presentation: Beyond the Border Art: Ann Berchtold gave a brief history of the Beyond the Border event. The 2012 ROI was 5.84:1. There are about 10,000 attendees, but there were 774 room nights. Their request for FY2014 is \$50,000. Richard Bartell asked what would be different in 2013 compared to 2012.

The meeting was adjourned by Chairman Brown without objection at 11:50 a.m.

Approved _____
Luis Barrios, Secretary

Date _____