

SAN DIEGO TOURISM MARKETING DISTRICT
BOARD OF DIRECTORS MEETING
Bahia Resort Hotel, Shell Room
998 West Mission Bay Drive, San Diego, CA 92109
Friday, March 1, 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, Bill Evans, John Schafer, Mohsen Khaleghi, and Richard Bartell, Patrick Duffy, Keri Robinson, and Bob Rauch.

Board members absent: Luis Barrios.

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

Kevin Swanson: Kevin Swanson encouraged the TMD to establish a 501(c)(3) nonprofit for receipt of TMD funds.

INFORMATIONAL ITEMS

None.

ACTION ITEMS

1. Approval of Minutes: A motion was made by Richard Bartell to approve the February 22, 2013 minutes. There was a second from Mohsen Khaleghi. Yes 8, No 0, Abstain 0.

2. FY 2014 Annual Application Presentation: Kevin Swanson / Syntropic Systems:

Kevin Swanson said he is not part of the Edge 2015 project. He described some of the ideas he has for a 2015 celebration. He asked for \$500.

Richard Bartell asked how the events are connected to room night generation. Bill Evans commented on the lack of activities and funding associated with the 2015 celebration.

3. FY 2014 Annual Application Presentation: La Jolla Playhouse: Richard Bartell recused himself. His brother Michael is on the board and part of Bartell hotels.

Mohsen Khaleghi recused himself based on business dealings with La Jolla Playhouse.

There was a presentation about the La Jolla Playhouse. The Without Walls Festival will be held October 3-6, 2013. A musical called Slideshow will be held November 5 – December 15, 2013. They have a cultural tourism marketing plan which will target attracting visitors from San Francisco, Phoenix, and Los Angeles. All marketing will have a call to action featuring TMD hotels. An average of twenty percent of attendees are from outside San Diego County. Their estimated ROI is 7.22:1.

Bill Evans asked about estimated rates. John Schafer asked about their aggressive estimates. Bob Rauch asked about their total annual budget, which is approximately \$12.6M. Bill Evans said the Playhouse's reputation is stellar and that it is under-appreciated.

4. FY 2014 Annual Application Presentation: SD LGBT Pride: LGBT Pride sponsors the parade each year. Many people come from out of town for pride weekend. Nearly 50% of attendees are from out of town. They have \$9.8M in total lodging expenditures.

They are proposing a TMD hotel dedicated web page. Bill Evans talked about the dates of the event. Bob Rauch said he believed there was a 4:1 return on investment. John Schafter asked about the \$45,000 dedicated to salaries. Bill Evans asked about the marketing efforts.

Richard Bartell said it is a great event. July and August are busy months. He asked about how long visitors stay and how many stay in hotels. The average stay was two nights. Mohsen Khaleghi expressed concern about the summer dates. He asked why this is the first request of the TMD. The organization is becoming more sophisticated and is focused on marketing. Mohsen Khaleghi asked what the event will do if it does not get TMD funding. Richard Brown asked why fees and advertising were the same amounts.

5. FY 2014 Annual Application Presentation: Five Star Tours: Five Star was founded in 1972 and is a woman-owned tour business. There was a presentation on beer tours and wine tours. They will target the Hispanic market.

They are requesting \$32,500 from the TMD, and estimating 21,000 incremental room nights with a projected ROI of 6:1.

Bill Evans asked about the nature of the programs and duplication with ConVis. Richard Bartell asked about partnering with a hotel instead of requesting TMD funds. Mohsen Khaleghi asked if the core of their business is transportation.

6. FY 2014 Annual Application Presentation: Farmers Insurance Open: Bill Evans recused himself because of activity with this event. Mohsen Khaleghi recused himself because of activity with this event.

Peter said the Open will be in the last two weeks of January. In 2013, they had 28,325 room nights and received \$218,315 from the TMD. They generated a ROI of 20.8:1. People from 24 countries attended the event. There was a description of the group meeting direct marketing and consumer direct sales and marketing programs. Only TMD hotels are featured in the marketing and sales campaigns. They are requesting \$218,315 for this year. Their room night estimate is 29,235 with a ROI of 29:1.

Richard Bartell said this is a great event. He asked about incremental room nights. Terry Brown also asked about incremental room nights. Bob Rauch expressed his support for the event and said they should focus on incremental room nights. Terry Brown asked about the total budget, which is approximately \$10.1M. Approximately \$2.6M goes to charities. Patrick Duffy spoke highly of Peter and the event.

Lorin Stewart said there would be a meeting next week on March 8, 2013. The board took a five-minute break and resumed at 11:00 a.m.

Closed Session

The meeting was adjourned to closed session by Chairman Brown without objection at 11:00 a.m. The meeting was reconvened at 12:30 p.m.

1. Closed Session Public Comment: None.
2. Closed Session Report: John Lambeth reported that one action was taken during the closed session. The TMD Board authorized legal counsel to file a complaint in intervention in the Browning v. City of San Diego case.

The meeting was adjourned by Chairman Brown without objection at 12:33 p.m.

Approved _____
Luis Barrios, Secretary

Date _____