

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 22, 2013
9:00 a.m.

MINUTES

Call to Order / Introductions:

C. Terry Brown, Chairman, called the meeting to order at 9:02 a.m.

Board members present: Terry Brown, Bill Evans, Luis Barrios, John Schafer, Mohsen Khaleghi, and Richard Bartell.

Board members absent: Patrick Duffy, Keri Robinson, and Bob Rauch.

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

Liz Edwards from Spirits Festival gave an update.

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 15, 2013 minutes. There was a second from John Schafer. Yes 6, No 0, Abstain 0.

2. Bowl Game: Evans stated that the mayor is under the mistaken belief that the TMD only markets hotels.

Bruce gave an update on the Bowl Games. In FY13 they received \$450,000, with a ROI of 9.5: 1.

The date of the game this year is likely to be 12/26/2013 for the Poinsettia Bowl. The Holiday Bowl will be 12/30/2013. They are requesting \$450,000 and projecting 35,000 room nights.

Bruce noted that the website will link directly to hotels with 30 rooms or more only within TMD. Evans asked what effect would there be if there is no TMD money. Bruce responded by saying that they would operate at a loss, and that the damage would be significant.

Evans asked about conflict associated with voting on funding. John Lambeth said he would gather additional information and bring back a recommendation.

3. California State Games:

Sandi Hill from the California State Games reported on the 2012 and 2013 California State Games. There is an estimate of 13,000 room nights for the 2013 State Games, and an estimate of 2,000 room nights for the 2014 Winter Games.

There is an estimate 25,000 room nights for the 2015 State Games of America, they are bidding on the event.

For FY 2014 they expect more participation and even more room nights. The website has direct links to TMD hotels only. The estimate is 15,600 room nights and funding is requested in the amount of \$175,000 (which includes \$25,000 for BID fee). The expected ROI is 11:1.

Bartell asked about last year's results. Khaleghi asked about the timing of the event.

4. Crew Classic: Sean Jenkins, President of the San Diego Crew Classic requested \$120,000. They are 5 percent higher in registration than last year, and are projecting 13,000 room nights. The expected ROI is 14.45: 1. Lorin asked about the nature of advertising and website. The website will list TMD hotels only. Marketing is targeted to have guests stay in TMD hotels.

5. Sports Commission: Allison Fowler is the interim CEO.

In FY13 the ROI was 20:1. In FY14 they are projecting 64,000 room nights.

Khaleghi asked about the change in ROI year over year. The request is for \$831,982. Bartell asked about a request for funding for events at the Hall of Champions. Evans asked about the mission of the Sports Commission. Evans asked why the Sports Commission is not combined with the Tourism Authority. Evans asked about goals for the sales people at the Sports Commission.

6. Competitor Group - 2012 Recap: There were 30,000 runners from 26 cities in North America and 6 in Europe. They had 54,410 room nights in 2012. They received \$350,000 in TMD funds and generated a 25:1 ROI.

In 2013, the TMD funding and projected room nights were reduced.

In 2012, 84 percent of runners were new runners. They are requesting \$400,000. The estimated room nights are 55,000 and the ROI estimate is 23:1.

Lorin asked about marketing and providing benefit to the TMD hotels. All website links and marketing refer only to TMD hotels. Barrios talked about partnership with the Old Town Chamber. Evans asked about using credit cards to book hotel room nights.

7. ITU World Triathlon: In 2012 there were 140 athletes in elite races, 2,144 athletes in age group races, and over 20,000 spectators.

The target for 2013 is 35,000 spectators. They have requested funding of \$45,000. They expect 1,700 room nights and \$212,500 in revenue.

Lorin reported that the next meeting will be on March 1, 2013.

Closed Session

The meeting was adjourned to closed session by Chairman Brown without objection at 10:42 a.m. The meeting was reconvened at 11:30.

1. Closed Session Public Comment: None.
2. Closed Session Report: John Lambeth reported that one action was taken during the closed session. That action will not be disclosed at this time pursuant to Government Code section 54956.9(b)(2).

The meeting was adjourned by Chairman Brown without objection at 1:25 p.m.

Approved _____
Luis Barrios, Secretary

Date _____