

**SAN DIEGO TOURISM PROMOTION CORPORATION  
SPECIAL BOARD OF DIRECTORS MEETING  
Bahia Resort Hotel: Shell / Ventana Rooms  
998 West Mission Bay Drive, San Diego, CA, 92109  
Friday, May 22, 2009  
10:00 am to 12:30 p.m.**

**MINUTES**

**Roll Call**

C. Terry Brown, Chairman, called the meeting to order at 10:06 a.m.

Board members present: Terry Brown, Bill Evans, Richard Bartell, Ray Warren, Bob Rauch, Patrick Duffy, Mohsen Khaleghi, Keri Robinson and Luis Barrios

Board members absent: None.

Also in attendance: Lorin Stewart, Executive Director, Jere Batten, Batten Accountancy Inc., and John Lambeth, legal counsel.

**OVERVIEW SUMMARY OF FUNDING SESSION PROCESS:** Lorin Stewart gave a review of the elements for the funding session process

**REVIEW CONFLICT OF INTEREST PROTOCOL:** John Lambeth reviewed conflict of interest rules with the Board. Mr. Lambeth reviewed the City Agreement, Corporation code and bylaw requirements.

**PUBLIC COMMENT:** Convis reported that they are amending their requests for funds. Kerri Verbeke Kapich explained that Convis was able to reduce the requested amount without reducing impacts. Convis reduced the LA Market request from \$1.5 million to \$1.1 million

**TMD Forecast for FY2010:** Jere Batten reviewed with the Board the status of funding and collections. Ms. Batten stated that the amount of funds available for the FY 2010 is \$4,133,266; the amount of funds in the contingency is \$2,196,791.

**Presentation of Ranking Order:** Lorin Stewart collected the scoring sheets from the Directors. The scoring from each Board member was posted on a spreadsheet for all attendees to view.

**ACTION ITEMS:**

1. There were no changes to the Minutes from the SDTPC Board of Directors meeting of April 24, 2009. A motion was made by Richard Bartell to approve the minutes. There was a second from Patrick Duffy. Yes 8, No 0, Abstain 0.
2. **FY 2010 Incremental Funding Application Update: Accessible San Diego as Convis Incremental:**  
Wes from Accessible San Diego presented the request for an additional \$126,473, in addition to the recommended \$75,000. Terry Brown asked if the \$75,000 is the most the TP or City has given to the group. Wes stated that it is. Wes stated that many other organizations have discontinued funding. Joe Terzi,

Convis, stated that Accessible San Diego has been operating in the red for some time. Mr. Terzi stated that the group is looking to the TPC to cover funding that has been withdrawn by others. Richard Bartell stated that TPC is required to look at the return on investment for anything the TPC funds. Wes stated that the group is focused on return on investment. Mr. Bartell asked about programs that support existing hotels. Wes explained that the group's programs benefit existing hotels. Mohsen Khaleghi asked about the group becoming part of Convis. Mr. Terzi stated the important consideration is how to value and support the group's activities. Mr. Terzi stated there is space and capacity within Convis but not a lot of funding for the group's programs. Mr. Terzi suggested that the group explore a fee for service arrangement. Mr. Bartell asked how much the group was given in 2009. Wes stated they were given \$90,000. Mr. Terzi stated that the group is currently \$80,000 in the red for 2009. Bill Evans stated that to maintain the important mission of Accessible San Diego, they must re-examine its business model. Mr. Evans encouraged the group to fold its operations into Convis. Mr. Evans recommended an active sales force to market to accessible groups. Mr. Brown state that it falls within the Board's responsibility to keep Accessible San Diego and traveler's aid in business even though they produce little or no room nights. Luis Barrios asked about prior funding from last year. The Board then scored the application for \$126,473 in incremental funding: Bill Evans scored the application a 3. Terry Brown scored the applications 2. Richard Bartell scored the application a 2. Ray Warren scored the application a 2. Bob Rauch scored the application a 2. Patrick Duffy scored the application a 2. Mohsen Khaleghi scored the application a 2. Keri Robinson scored the application a 2. Luis Barrios scored the application a 2. The average score was a 2.11.

3. **FY 2010 Incremental Funding Application Review and Score: San Diego Beer Week**

The Board heard a presentation from the San Diego Brewers Guild. The San Diego Brewers Guild was founded in 1997. It is one of the world's most active brewing societies. The Guild decided to move date from mid- August to early November. San Diego is a mecca for small brewers. San Diego Beer week is a proposed ten-day signature event based on other successful beer weeks. No funds will be used for staff and no funds will be used for beer. Ray Warren asked if it is possible to bring the national event to San Diego. The presenter stated that it was not as the event was already locked in for Denver. The presenter stated it is his goal to develop a west coast version of "Savor." Mr. Warren asked if the group could get a good email list from the National Organization that would help. The presenter stated that they probably could not but that the group is going to use a lot of electronic media to get the word out. Richard Bartell asked how the group estimated the 1300 room nights. Mr. Bartell stated it could be a windfall for restaurants and bars, but questioned how many people will travel to San Diego and stay. Bill Evans asked if \$25,000 would be spent outside of the market. The presenter stated that yes, all of the money would be spent out of the market. None of the money is for staff. The presenter was asked if the goal is to have the event on the Midway. The presenter stated that they are trying to have it on the Midway, but it may be at the Embarcadero. Bob Rauch asked if the presenter would commit to coming back to the Board with hard statistics. The presenter stated that he would. Keri Robinson asked if the event will be the same whether or not the TPC decides to fund. The presenter stated that the event will be the same but the marketing will not include the activities funded by the \$25,000. Luis Barrios asked about

changing the date from August to November and if the event would have the same draw. The presenter stated that it would. The Board then scored the application: Terry Brown scored the application a 4. Richard Bartell scored the application a 2. Ray Warren scored the application a 4. Bob Rauch scored the application a 3. Patrick Duffy scored the application a 3. Mohsen Khaleghi scored the application a 4. Keri Robinson scored the application a 2. Luis Barrios scored the application a 3. Bill Evans scored the application a 4. The average score for the application was a 3.22

**4. FY 2010 Funding Allocations**

A motion was made by Mohsen Khaleghi to approve the amended funding allocation for the LA Marketing Campaign of \$1.1 million. A second was made by Patrick Duffy. Richard Bartell stated that the TPC should not reduce the funding on the LA Marketing Campaign. Bill Evans asked why the TPC would want to reduce the item that could produce the biggest benefit. The Board then had a discussion about looking at doing marketing in to attract visitors in the fall. Mohsen Khaleghi asked about savings from buying fall markets now. It was stated that Convis may be able to save money on the LA program, but not with national cable. Joe Terzi stated that Convis would be happy to come back with a proposal for the fall activities. Mr. Evans expressed concerns about reducing the Convis amounts and how it will affect room nights. Yes 7, No 2, Abstain 0.

A motion was made by Luis Barrios to approve the reduced dollar amount of \$3,050,000 for the national cable ad buy. A second was given by Ray Warren. Bill Evans asked about the results from previous national cable. Convis stated that web inquiries are up 35% and that they have had very positive results from the Online Travel Agencies. Yes 9, No 0, Abstain 0.

A motion was made by Bill Evans to move the reserve up to \$1 million for the fall 2009 marketing. A second was made by Ray Warren. Yes 9, No 0, Abstain 0.

A motion was made by Bill Evans to postpone any further actions on funding until June 19. A second was made by Luis Barrios. Yes 9, No 0, Abstain 0.

**Informational Items:**

**Chairman's Report** – Chairman Terry Brown reported on the City Council comments about the TMD at the City Council Budget Committee meeting on May 20, 2009. Bob Rauch asked about Public Relations and communications. Lorin Stewart stated he has talked to all the firms and that the Board would make a decision on June 19<sup>th</sup>, 2009.

**Treasurer's Report** – There were no additional items reported on as part of the Treasurer's report.

**Executive Director's Report** – There were no additional items reported on as part of the Executive Directors report.

**CONSENT:**

- 5. None
- 6. **Motion to Adjourn**  
The meeting was adjourned by Chairman Brown without objection at 12:30 p.m.

Approved \_\_\_\_\_  
Luis Barrios, Secretary

Date \_\_\_\_\_