

SAN DIEGO TOURISM MARKETING DISTRICT  
BOARD OF DIRECTORS REGULAR MEETING  
Catamaran Resort Hotel & Spa: Rousseau Room  
3999 Mission Boulevard, San Diego, CA 92109  
Friday, August 22, 2014  
9:00 a.m.

MINUTES

CALL TO ORDER:

C. Terry Brown, Chairman, called the meeting to order at 9:05 a.m.

Board members present: Terry Brown, Richard Bartell, Bill Evans, Luis Barrios, Matt Greene, John Schafer, Jody Blackinton, and Thomas Voss.

Board member absent: Keri Robinson.

Also in attendance: Jere Batten, Batten Accountancy; John Lambeth, attorney; and Lorin Stewart, Executive Director.

Chairman Brown asked for public comment on closed session item. There were no public comments.

Chairman Brown announced that the Board will be discussing item 1, conference with legal counsel – existing litigation, on the closed session agenda.

Adjourned to closed session at 9:07 a.m.

Reconvened open session at 10:00 a.m.

John Lambeth reported that the Board took no reportable actions in closed session.

INTRODUCTIONS

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 applicants 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

There were no public comments.

INFORMATION ITEMS

- 1) David Lundin – Progress on Balboa Park Event: Mr. Lundin reported on the progress on the Balboa Park event. He described an event with period costumes that will drive visitors to San Diego. He stated that they would endeavor to determine the number of visitors to San Diego because of the event. He stated that they will have some costs for insurance, sanitation, city fees, etc. He estimated the total would be \$50,000 - \$60,000. Mr. Bartell asked about timing and coordination with SDTA. Mr. Lundin said they are trying for October and will coordinate with SDTA.

- 2) Kevin Swanson – Projects Progress Update: Mr. Swanson reported on his efforts. He said he has not found a champion within the City. He talked about auto related events in Balboa Park. Mr. Bartell asked if he was coordinating with David Lundin. Mr. Evans recommended that Mr. Swanson develop a specific plan and a concrete proposal.

#### ACTION ITEMS

- 1) Approval of Minutes: The June 20, 2014 SDTMD meeting minutes were reviewed, discussed and considered for approval. There was a motion to approve the minutes, by Mr. Barrios. There was a second by Mr. Bartell. Yes 8, No 0, Abstain 0.
- 2) San Diego Sports Commission: Support to Secure Upcoming Sporting Events: Mike McDowell discussed filling the room night pipeline through sports events. Mr. McDowell discussed creating a relationship with people involved with sports events – not just creating “one off” events. He detailed:

Gay Softball World Series: This event is planned for August 2015. \$40,500 is requested for this event. The ROI is 15.2:1 and would attract 5000 room nights. Mr. Bartell asked about timing. He also asked about distribution of room nights.

Chairman Brown moved to approve the request. Mr. Evans seconded. Mr. Bartell said there were not many room nights spread over many dates. He is not supportive. Yes – 1 (Brown), No 7, Abstain 0. The motion failed.

Middle School Basketball Championships: This event is planned for March 2015. \$15,402 is requested for this event. The ROI is 9.58:1 and would attract 1200 room nights. Mr. Evans raised the issue of whether this event is too small for the TMD.

Chairman Brown recused himself. The request failed for lack of a motion.

ISA World Standup Paddle & Paddleboard Championships: This event is planned for May 2015. \$37,500 is requested for this event. The ROI is 16.24:1 and would attract 4950 room nights. Mr. Bartell asked about room night production.

Mr. Evans moved to approve the request. Chairman Brown seconded. Ms. Blackinton stated that there may be a calendar conflict with Rock & Roll Marathon. Yes 7, No 1 (Bartell), Abstain 0.

NASC Annual Symposium: This event is planned for April 2018 or 2019. \$120,000 is requested for this event. The ROI is 3.81:1 and would attract 2500 room nights. Mr. Bartell asked about ROI.

Mr. Schafer moved to approve the request. Mr. Barrios seconded. Mr. Evans asked Mr. Terzi about the event. Mr. Terzi said it is an opportunity for San Diego. There are attendees that can bring additional business to San Diego. Yes 8, No 0, Abstain 0.

America's Cup: This event is planned for June 2017. \$2,000,000 is requested for this event. Event must take place June 2017. The proposal stated that there would be no reimbursement for room nights after May 2017. Mr. Greene said the event in San Francisco had significant problems. Mr. Greene asked about the revenue numbers from San Francisco. Mr. Terzi said San Francisco received great exposure but the economics were weak. Mr. Shafer asked about going directly to the downtown hotels instead of the TMD. Ms. Blackinton asked about using TMD funds to buy room nights. Mr. Bartell said he did not think it was appropriate to utilize TMD funds to buy room nights. Mr. Evans talked about the popularity of the event and the television exposure. Mr. Evans said he would prefer that the TMD fund marketing instead of paying for room nights. Chairman Brown expressed support for the concept.

The Board took no action on this item.

- 3) San Diego Convention Center Corporation / San Diego Tourism Authority Requests for TMD Funds to Secure Citywide Conventions at the San Diego Convention Center: Mr. Terzi presented the issue of funding for convention center events. He discussed the cardiology proposal. Mr. Bartell asked about the request for \$65,000. Mr. Bartell and Mr. Barrios left the meeting. Mr. Lambeth reviewed Code and Board policy as it relates to recusal. Mr. Schafer indicated his hotel has a significantly greater interest in the cardiology proposal than others and he recused himself. Chairman Brown said that the proposal represents bad policy. TMD should not be subsidizing the convention center.

Mr. Evans asked how much the center spent on trying to expand the convention center. Carol Wallace said \$8,000,000. Chairman Brown asked the question about the purpose of the convention center. Carol Wallace stated that the convention center receives \$3.4 million from the City. Of those funds, \$1.9 million is allocated to SDTA and \$1.5 million is to routine maintenance. There are no City funds allocated to operations.

Chairman Brown stated the TMD funding of convention center events is a problem. He is supportive now, but likely will not support this kind of request in the future. Chairman Brown moved to approve the request. Mr. Evans said he believes this is a convention center responsibility. Mr. Terzi said the convention center, TMD and the City must get together and solve this issue. Mr. Voss seconded Chairman Brown's motion to approve the request. Yes 3 (Brown, Greene, Blackinton) , No 2 (Voss, Evans), Abstain 0. Motion passed 3 – 2.

Chairman Brown adjourned the meeting without objection at 11:49 a.m.

Approved \_\_\_\_\_  
John Schafer, Secretary

Date \_\_\_\_\_