TMD OVERVIEW

- Renewed: Jan 1, 2013 for 39.5 years
- Citywide & All Lodging Businesses
- Assessment Categories A & B
  - 2.00% (A & B) - 30 or more rooms/units
  - 0.55% (B only) - 29 or fewer rooms/units
- SDTMD Corporation - 5 Yr Agreement
- One Pending Validation Lawsuit
- Reserves
  - FY16 +$ 7.5M  $19.5M cum.
  - FY17 +$10.5M $30.0M cum.
TOURISM FORECAST & PROJECTED REVENUE

• Tourism Forecasts
  • CY 2015 *US domestic trips* +1.6%
    *SD overnight visits* +1.5%
  • CY 2016 *Room Demand* +1.9%
    *Room Supply* +1.3%
    Average Occupancy rate 76.7%,
    Average Daily Rate (ADR) $160.35

• FY 2016 TMD Funds Available $57,529 M
  • *TMD Assessments (Cat. A & B)* $34.517 M
  • *FY2015 Carryover (incl. Lit. Res. of $12 M)* $22.982 M
  • *FY2014 Interest & Penalties* $0.030 M
BUDGET DEVELOPMENT & COMPETITIVE APPLICATION PROCESS

• Budget Guidelines for Funding Categories
• Return on Investment (ROI)
• Application format
• Brown Act Board meetings and presentations
• Scoring and Allocation Procedures
MANAGEMENT PLAN - BUDGET GUIDELINES

- A1 - Meeting/Group + Consumer Direct Sales & Marketing Programs
  - A1.1 - Hotel Meeting Sales
  - A1.2 - Event Management and Group Sales Dev.
  - A1.3 - Tourism Development incl. Travel & Trade
  - A1.4 - Group Meeting Direct Marketing
  - A1.5 - Consumer Direct Sales & Marketing Programs
  - A1.6 – Multi-Year Tourism Development (SDTMD)

- A2 - Sub-Regional Targeting

- A3 - Competitive Targeting

- B - Advertising Campaigns/Earned Media
FY 2016 FUNDING RECOMMENDATION

Allocations

- Category A1 & B - DMO $26.534 M
- Category A2 - Sub-Region - DMO $2.000 M
- Category A3 - Competitive Targeting $1.550 M
- A1.6 - Tourism Development $0.700 M
- Opportunity/Catastrophe (Cat. A & B) $4.503 M
- City & SDTMD Administration $2.742 M

Includes $172,959 Contingency

FY16 Projected Year-End Litigation Reserve $19.500 M

Total $57.529 M
FY 2016 Allocations
$26.534 M + $2M Categories A+B
Total ROI overall ~19 to 1.
Produce 1 billion paid advertising gross impressions.
Deliver $20+ million unpaid media exposure
Generate 8 million visitor inquiries
Increase definite meetings group room nights
CALIFORNIA POLICE ATHLETIC FEDERATION

- FY 2016 Allocation: $60,000 Category A.
- Target Total TMD Hotel Room Nights: 11,300.
- Target ROI overall: ~28 to 1.
- Event: United States Police & Fire Championships
KOZ EVENTS

- FY 2016 Allocation: $30,000 Category A.
- Target Total TMD Hotel Room Nights: 2,214.
- Target ROI overall: ~14 to 1.
- Events: Campagnolo GranFondo
  Spring Sprint Triathlon – Mission Bay
  Mission Bay Triathlon – Bonita Cove
LGBT PRIDE - “Out at the Park”

- FY 2016 Allocation: $25,000 Category A.
- Target Total TMD Hotel Room Nights: 850.
- Target ROI overall: ~5 to 1.
- Event: “Out at the Park”
## FY2016 ALLOCATIONS & PROJECTED RESULTS

<table>
<thead>
<tr>
<th>Entity</th>
<th>Allocation</th>
<th>Room Nights</th>
<th>Room Rev</th>
<th>ROI</th>
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<tbody>
<tr>
<td>SD Tourism Authority</td>
<td></td>
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<tr>
<td>A1 &amp; B &amp; Sports First</td>
<td>$26,534,105</td>
<td>3,327,600</td>
<td>$533,971,832</td>
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<td>A2 TMD Sub-Regional</td>
<td>$2,000,000</td>
<td>TBD</td>
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<td>CA Police Athletic Fed.</td>
<td>$60,000</td>
<td>11,300</td>
<td>$1,683,361</td>
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<td>CA State Games</td>
<td>$150,000</td>
<td>16,500</td>
<td>$2,277,000</td>
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<td>Comp. Group: RR Marathon</td>
<td>$300,000</td>
<td>42,700</td>
<td>$7,539,966</td>
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<td>Craft Brewers Guild Beer Week</td>
<td>$74,900</td>
<td>6,943</td>
<td>$1,034,299</td>
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<td>Farmers Open – Century Club</td>
<td>$200,000</td>
<td>48,864</td>
<td>$8,177,879</td>
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<tr>
<td>KOZ Events</td>
<td>$30,000</td>
<td>2,214</td>
<td>$419,704</td>
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<tr>
<td>LGBT PRIDE</td>
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<td>850</td>
<td>$126,625</td>
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<td>SD Bayfair</td>
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<td>13,814</td>
<td>$1,825,382</td>
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<td>SD Bowl Game Assoc.</td>
<td>$450,000</td>
<td>39,895</td>
<td>$4,946,980</td>
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<td>San Diego Crew Classic</td>
<td>$165,000</td>
<td>9,000</td>
<td>$1,340,730</td>
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<td><strong>TOTAL</strong></td>
<td><strong>$30,084,005</strong></td>
<td><strong>3,519,680</strong></td>
<td><strong>$563,343,758</strong></td>
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QUESTIONS