

SAN DIEGO TOURISM MARKETING DISTRICT
BOARD OF DIRECTORS SPECIAL MEETING & CLOSED SESSION
The Lodge at Torrey Pines – Room: Alfred Mitchell (open session)
& Everett Jackson III (closed session)
11480 N Torrey Pines Road, La Jolla, CA 92037
Friday, August 26, 2016
10:30 a.m.

MINUTES

CALL TO ORDER:

Bill Evans, Chair, called the meeting to order at 10:32 a.m.

Board members present: Bill Evans, Matt Greene, Jody Blackinton, Colleen Cronin Anderson, Terry Brown, Scott Hermes, Matt Adams, and John Gates.

Board member absent: Richard Bartell.

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

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.

CLOSED SESSION PUBLIC COMMENT:

None.

CLOSED SESSION ITEMS:

John Lambeth said the Board would be discussing the one item on the closed session agenda.

ADJOURN TO CLOSED SESSION:

Chair Evans adjourned the meeting to closed session at 10:34 a.m.

RECONVENED TO OPEN SESSION:

Chair Evans reconvened the meeting to open session at 11:25 a.m.

CLOSED SESSION REPORT:

John Lambeth reported that there were no reportable actions from the closed session.

PUBLIC COMMENT:

None.

INFORMATION ITEMS:

- 1) Litigation Reserve Fund's Impact on Available Funds: Jere Batten reported on the litigation reserve and available funds. There is approximately \$3.6m available to hold or spend for FY17.
- 2) Service Provider RFP Advisory: Brian Hughes noted that the SDTMD would be issuing RFPs for its service providers.

ACTION ITEMS:

- 1) Approval of Minutes: The May 2, 2016 and June 20, 2016 meeting minutes were reviewed, discussed, and considered for approval. Mr. Greene moved to approve the minutes. Mr. Brown seconded the motion. Yes 8, No 0, Abstain 0.
- 2) FY17 Budget: Brian Hughes gave background on the budget. The budget will go to City Council Committee in September. Jere Batten presented the details of the budget for FY17. She talked about the assessment funds (64%) and non-assessment funds (36%) that comprise the total TMD budget. Mr. Brown moved to approve the budget. Mr. Adams seconded the motion. Yes 8, No 0, Abstain 0.
- 3) Stadium / Convention Center Expansion Study Phase II Work: Brian Hughes gave background on the proposal. John Lambeth noted that the SDTMD is precluded from spending its funds on advocating for votes either in support of, or opposed to, a ballot measure. The SDTMD is permitted to spend funds on research. He suggested that the SDTMD not fund the last three bullets on the proposal. Ms. Anderson moved to approve Phase II of the study without funding the last three bullets on the proposal. Mr. Hermes seconded the motion. Yes 8, No 0, Abstain 0.
- 4) AD HOC Advertising ROI & Master Plan Committee: Chair Evans gave background on this item. Mr. Brown asked about how this committee supports SDTA's efforts. Joe Terzi said he welcomes the creation of the committee. Ms. Anderson moved to create the Ad Hoc Advertising ROI & Master Plan Committee. Mr. Adams seconded the motion. Yes 8, No 0, Abstain 0.
- 5) FY17 Election of Officers: Mr. Hermes nominated Mr. Evans as Chair of the Board. There were no further nominations and the nominations were closed. The Board unanimously voted in favor of Mr. Evans as the Chair of the Board. Yes 8, No 0, Abstain 0.

Mr. Brown nominated Mr. Hermes as Vice Chair. There were no further nominations and the nominations were closed. The Board unanimously voted in favor of Mr. Hermes as the new Vice Chair. Yes 8, No 0, Abstain 0.

Mr. Gates nominated Mr. Greene as Secretary. There were no further nominations and the nominations were closed. The Board unanimously voted in favor of Mr. Greene as the new Secretary. Yes 8, No 0, Abstain 0.

Mr. Greene nominated Ms. Anderson as Treasurer. There were no further nominations and the nominations were closed. The Board unanimously voted in favor of Ms. Anderson as the Treasurer. Yes 8, No 0, Abstain 0.

- 6) Amgen Tour of California: Ed Clancy, chair of the San Diego organizing committee for Amgen, gave the Board background on the race. He said impressions increased by 500% from 2015 to 2016. Chair Evans asked about ROI. Ms. Anderson asked about room nights generated. SDTMD funded the race for \$100,000. John Lambeth expressed concerns about funding a past event. Mr. Gates stated that it creates a bad precedent. Chair Evans express concern about not funding Amgen. Mr. Hermes moved to continue this item to the next SDTMD Board meeting. Mr. Greene seconded the motion. Yes 8, No 0, Abstain 0.
- 7) Master Games: Mike McDowell presented background on the Master Games. He said that they are looking at a May date. They are requesting \$400,000 over three budget cycles: FY17 \$150,000, FY18 \$150,000, and FY19 \$100,000. Sandy Hill described how they are scheduling this event to create the biggest impact during a slower time. Estimated ROI is 11.8:1. Mr. Brown said that this event benefits hotels throughout the City. Mr. Brown moved to approve the request. Mr. Gates seconded the motion. Yes 8, No 0, Abstain 0.
- 8) Extreme Sailing Series: Mike McDowell gave background on the sailing event. They are requesting \$400,000. Mr. Hermes asked if this will be the first time the event has occurred in North America. Mr. Gates asked about the number of participants, ROI, and the amount of the request. Mr. Hermes asked if the event was an incubator event. Joe Terzi explained why he thinks the event is worthy of support. Chair Evans commented that the intent of the SDTMD is to be an incubator and not a long term player. He said there is value in going after the European and Chinese markets. Mr. Greene said this is the kind of event the Board wants to fund. Estimated ROI is 4:1. Ms. Anderson moved to approve the request. Mr. Greene seconded the motion. Yes 8, No 0, Abstain 0.

Chair Evans adjourned the meeting without objection at 12:45 p.m.

Approved _____
Matt Greene, Secretary

Date _____