

SAN DIEGO TOURISM MARKETING DISTRICT
BOARD OF DIRECTORS REGULAR MEETING
Westin Gaslamp Quarter Hotel: Harbor Room
910 Broadway Circle, San Diego, CA 92101
Tuesday, January 23, 2018
8:00 a.m.

MINUTES

CALL TO ORDER:

Scott Hermes, Chair, called the meeting to order at 8:01 a.m.

Board members present: Scott Hermes, Matt Adams (arrived late), Terry Brown, Christopher Ostopovich (left early), Richard Bartell, and Vikram Sood.

Board members absent: Colleen Cronin Anderson and Matt Greene.

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.

PUBLIC COMMENT:

None.

INFORMATION ITEMS:

None.

ACTION ITEMS:

- 1) Approval of Minutes: The January 12, 2018 meeting minutes were reviewed, discussed, and considered for approval by the Board. Mr. Ostopovich moved to approve the minutes. Mr. Bartell seconded the motion. Yes 5, No 0, Abstain 0.
- 2) FY 2019 Annual Application Presentation: California State Games: Sandi Hill thanked the Board for their previous support. She highlighted the success of the 2017 games. The summer games have a mandatory hotel booking policy and have expanded to include athletes from Nevada and Arizona. They moved gymnastics from July to March. The event is estimated to fill 17,500 room nights and generate \$2.8 million in hotel revenue.

Mr. Bartell congratulated Ms. Hill on the success of the event. He asked if there was a time that they would not need SDTMD revenue. Ms. Hill said that they have received the same amount

every year, but the ROI has climbed each year. She said the Arizona and Nevada athletes will be a significant change to the event. Mr. Bartell asked about the request for an extra \$25,000. Ms. Hill said it is needed to get the event launched in Arizona and Nevada. Chair Hermes thanked Ms. Hill for moving the dates for gymnastics. He said he would like to see more encouragement for the Winter Games. Mr. Brown said this event is one of the best events the SDTMD has ever funded. Chair Hermes noted that the state games continue to outperform their projections for room night production.

The request is for \$175,000 and the projected ROI is 16.0:1.

- 3) FY 2019 Annual Application Presentation: California Police Athletic Federation: Ben Orgovan and Cheli Mohamed presented. Ms. Mohamed thanked the Board for their previous support of the US Police & Fire Championships. She said the games were originally established in 1967. They said their 2016 event had an ROI of 20.0:1. Mr. Orgovan said they are proposing to use SDTMD funds for advertising, bid fees for teams, for attendance at other conferences, and meetings to promote the US Police & Fire Championships. Projected hotel revenue for the event is \$1,821,022. Chair Hermes noted that the length of stay is impressive—over four nights. Mr. Bartell asked about where the events take place. Ms. Mohamed said there are over 35 venues throughout the City.

The request is for \$75,000 and the projected ROI is 24.28:1.

- 4) FY 2019 Annual Application Presentation: San Diego Bowl Game Association – Holiday Bowl: Marc Sawyer and Mark Neville presented. Mr. Neville thanked the Board for its previous support of the Holiday Bowl. He described the success of the event. All of the requested SDTMD funds go toward team payouts to draw the most popular teams.

Mr. Bartell said he loves the event and that it is a great event during a needs period. He asked about the impact of the SDTMD funds. Mr. Neville said the bowl game industry is highly competitive and that making the game work is difficult. Chair Hermes asked about impact of partnering with Fox Sports. Mr. Neville said Fox Sports works with the Association on dates and times. Mr. Brown asked about the impact of the Disney-Fox merger. Mr. Neville said there will be no adverse effect. Mr. Bartell asked about whether the sunseting of the Poinsettia Bowl helps. Mr. Neville said yes. Chair Hermes asked about partnering with a third party operator, regarding fan travel. Mr. Sood asked about how large the drive market is. Mr. Neville said it is about 50/50. Projected hotel revenue for the event is \$2,765,566.

The request is for \$375,000 and the projected ROI is 7.4:1.

- 5) FY 2019 Annual Application Presentation: San Diego Bowl Game Association – Navy vs Notre Dame: Mr. Neville thanked the Board for considering this new request. Navy vs Notre Dame is the longest running uninterrupted intersectional (1927). This event will be nationally televised by CBS in late October. They believe there will be 10,000 new room nights. The payout is \$5 million. Projected room revenue for the event is \$1,340,000.

Mr. Bartell asked about how the scheduled citywide would impact this event. Mr. Testa asked how many tickets have been sold so far. Mr. Neville said approximately 40,000. Attendance is expected to be 55,000.

The request is for \$200,000 and the projected ROI is 6.7:1.

Mr. Adams joined the meeting.

- 6) FY 2019 Annual Application Presentation: San Diego GAA: Tracey Rivera thanked the Board for the opportunity to present to the SDTMD. Ms. Rivera gave background on the games including gaelic football, hurling, and camogie. West Coast Sewers is the only 7-8-side tournament in the United States. Ms. Rivera said that they would implement a mandatory hotel policy. 75% participation is from outside San Diego with an average stay of 3.5 nights. Projected room revenue for the event is \$275,550.

Mr. Sood asked about venues for the events. Ms. Rivera said for 2018, the venue is in Kearny Mesa. The event will need to move in 2019. Chair Hermes asked about targeting East Coast cities. Ms. Rivera said they were targeting those teams. Chair Hermes asked about the hotel policy.

The request is for \$84,800 and the projected ROI is 10.8:1.

- 7) FY 2019 Annual Application Presentation: San Diego International Film Festival: Mark McClure thanked the Board for hearing the presentation today. Tonya Mantooth said that this event is a great economic development tool during a need period. She talked about the impact from other film festivals. Currently, the out of market visitors are approximately 7% of the attendees. Projected room revenue for the event is \$848,000.

Chair Hermes asked about where attendees stayed last year. He asked how Sundance is able to attract 70,000 people per year. Ms. Mantooth said the state of Utah helped significantly. Chair Hermes asked about the location of the theaters. Chair Hermes asked about alternative dates. Mr. Bartell asked about the plan to increase out of town visitors by 300%. Ms. Mantooth said there is an extensive campaign planned. She also said San Diego is uniquely positioned to gain these additional visitors. Chair Hermes asked about the face of the San Diego film festival. He asked about studio engagement. Mr. Adams asked about previous years' budgets and sources of revenue. Mr. Sood asked about other agencies that could assist with the brand.

The request is for \$372,500 and the projected ROI is 2.27:1.

Mr. Ostopovich left the meeting.

- 8) FY 2019 Annual Application Presentation: The Sand Sculpture Company: Ted Siebert and Damon Langlois provided background on the event. The event lasts approximately two months. The event offers an opportunity to connect San Diego with a unique pop culture offering. They want to break the world record in year one. They would seek funding in only years one and two and then not ask for funding from the SDTMD afterward. Chair Hermes asked about the Miami event. Projected room revenue is \$1,727,800.

Chair Hermes asked about specific strategies to bring additional guests to San Diego. Mr. Brown asked how they would fill 10,000 rooms. They said they would create the largest sand sculpture park in the Western Hemisphere. They cited the success of other sand sculpture events. Mr.

Bartell asked if it was a two part event. He asked if they were talking to Del Mar and the Port. He asked about timing. They said it is a two part event, the build and then events afterward. The build is primarily a local event. Joe Terzi asked about the opportunity to locate the event at the Embarcadero. Mr. Bartell asked about funding from the Port.

The request is for \$420,000 and the projected ROI is 4.11:1.

- 9) FY 2019 Annual Application Presentation: Startup San Diego: Brian Jessup and Alex Myers discussed startup week San Diego and how they want to grow out of town visitor attendance at the event. Projected room revenue is \$285,570.

Chair Hermes asked about other grant requests. Mr. Myers said they will apply for a grant from the City. Mr. Bartell asked about the previous location of the event. Joe Terzi suggested connecting with EDC, the City, and the County.

The request is for \$15,000 and the projected ROI is 19.05:1.

Chair Hermes adjourned the meeting without objection at 10:45 a.m.

Approved _____
Colleen Cronin Anderson, Secretary

Date _____