

SAN DIEGO TOURISM MARKETING DISTRICT
BOARD OF DIRECTORS REGULAR MEETING & CLOSED SESSION
Manchester Grand Hyatt San Diego: America's Cup AB (Open Session) &
America's Cup C (Closed Session)
1 Market Place, San Diego, CA 92101
Friday, April 13, 2018
8:00 a.m.

MINUTES

CALL TO ORDER:

Scott Hermes, Chair, called the meeting to order at 8:00 a.m.

Board members present: Scott Hermes, Matt Adams, Terry Brown, Richard Bartell, Vikram Sood, and Colleen Cronin Anderson.

Board members absent: Christopher Ostapovicz and Matte Greene.

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

CLOSED SESSION PUBLIC COMMENT:

None.

CLOSED SESSION ITEMS:

Scott Hermes announced the Board would be discussing the three (3) items on the closed session agenda.

ADJOURN TO CLOSED SESSION:

Chair Hermes adjourned the meeting to closed session at 8:02 a.m.

RECONVENED TO OPEN SESSION:

Chair Hermes reconvened the meeting to open session at 8:42 a.m.

CLOSED SESSION REPORT:

John Lambeth reported that there were no reportable actions taken by the Board 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.

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PUBLIC COMMENT:

Chair Hermes disclosed that he had communications with Joe Terzi and Kerri Kapich from SDTA.

John Laun: Mr. Laun spoke in support of the Extreme Sailing Event. The series delivers a spectacular visitor experience and garners significant media exposure.

Sharon Cloward (President of San Diego Port Tenants Association): Ms. Cloward also spoke in favor of Extreme Sailing. She stated she was committed to having SDPTA invest in media promotion of Extreme Sailing and discussed other tremendous benefits of the event.

Chuck Nichols: Mr. Nichols discussed the international appeal of sailing. He also stated that if the TMD can help Extreme Sailing, the event will stay in San Diego and will have long term benefits.

JJ Fetter: Ms. Fetter discussed that the youth are getting involved in sailing and agreed that Extreme Sailing is a terrific event.

Matt Reynolds (CEO of Extreme Sailing): Mr. Reynolds thanked the Board for support last year. He stated that even though the room night predictions fell short, it was a very successful event last year. He further discussed their strategy to grow room nights next year and in the future years.

INFORMATION ITEMS:

LA, China, and Balboa Park Initiative Update: The information item was introduced by Joe Terzi. Kerri Kapich discussed the LA, China, and Balboa Park initiatives. She described improvements for keyword search and display. Chair Hermes mentioned the positive results from the Balboa Park efforts. Ms. Kapich discussed their efforts on meetings certified. Mr. Terzi discussed further measures they are taking to improve attendance.

ACTION ITEMS:

- 1) Approval of Minutes: The April 13, 2018 meeting minutes were reviewed, discussed, and considered for approval by the Board. Ms. Anderson moved to approve the minutes. Mr. Brown seconded the motion. Yes 6, No 0, Abstain 0.
- 2) FY19 Budget Clarifications and Revisions: Brian Hughes introduced the item. Jere Batten explained the changes in Surf Cup. She also discussed Golden State Hockey and the Summer Showcase. Ms. Batten reviewed the changes to the budget due to finds from the first (1st) and second (2nd) district. Mr. Bartell moved to approve changes as recommended by Jere Batten. Ms. Anderson seconded the motion. Yes 6, No 0, Abstain 0.
- 3) Five-Year Milestone Projection: Jere Batten reviewed the five-year projections. Mr. Bartell asked about the growth rate assumptions. Mr. Sood moved to adopt the five-year projections. Mr. Brown seconded the motion. Yes 6, No 0, Abstain 0.
- 4) FY 2017 SDTMD Corporation Tax Return: Jere Batten reviewed they California and Federal tax returns. Ms. Anderson moved to approve the California and Federal tax returns. Mr. Bartell

seconded the motion. Yes 6, No 0, Abstain 0.

- 5) Ad HOC Communications Subcontractor Selection Committee: Chair Hermes discussed the item and the need for the committee. Mr. Hughes discussed the timing of the applications. Ms. Anderson moved to approve the creation of the committee and delegated the authority of selecting its members to the Chair. Mr. Sood seconded the motion. Yes 6, No 0, Abstain 0.
- 6) The Sand Sculpture Company: Brian Hughes gave background on the item. David Rice thanked the Board for its consideration and discussed the application. Mr. Bartell asked about the phases of the event and how the requested funding would be applied. Mr. Brown asked how long the sand sculpture can remain intact and on display. The Sand Sculpture Company replied that it would be there from August to October. Mr. Bartell asked about the lowering of the ROI estimates. Mr. Rice said they wanted to be conservative in their estimates. Chair Hermes asked about events in year two (2) versus year one (1). Mr. Bartell asked about the timing of receiving an audited ROI. Ms. Anderson moved to approve the request. Mr. Adams seconded the motion. Yes 6, No 0, Abstain 0
- 7) Extreme Sailing: Mr. Bartell recused himself and left the room. Chair Hermes gave a recap of last year's funding and the current application. Brown expressed concern about the applicant's ability to produce room nights. Matt Reynolds discussed future efforts to market to people outside of the sailing industry. He also discussed their new coordination with SDTA. Doug Augustine explained how they were improving outreach to gain more overnight visitors. Mr. Brown moved to approve funding for Extreme Sailing (\$250,000). Mr. Adams seconded the motion. Yes 5, No 0, Abstain 1 (Richard Bartell).

Chair Hermes adjourned the meeting without objection at 10:01 a.m.

Approved _____
Colleen Cronin Anderson, Secretary

Date _____