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San Diego’s Rarely Told Tourism Success Story:

A MESSAGE FROM THE CHAIRMAN AND EXECUTIVE DIRECTOR

As we reflect on another successful year for San Diego tourism, it’s tempting to take tourism for granted. However, the importance of tourism to the San Diego economy cannot be overstated.

Tourism is directly responsible for nearly 200,000 jobs in the region—more than any other industry. It’s also responsible for $249 million in hotel tax collected by the City of San Diego. The hotel tax is the city’s third-largest revenue source. Paid for by out-of-town visitors, it is vital to funding important City services including public safety, roads, parks, homeless services, sanitation, libraries and more.

Our city depends on a robust and vibrant tourism economy. But beautiful beaches and great weather are not enough to sustain tourism at current levels. When tourism funds were frozen in 2013, hotel occupancy and hotel tax growth fell by half, depriving the city of important funding for essential services. San Diego also lost market share to competing destinations.

It is the responsibility of SDTMD to ensure that San Diego remains a top visitor destination through funding the San Diego Tourism Authority’s marketing efforts and other local tourism promotion initiatives.

Our City has a productive public-private partnership in SDTMD. The district directly benefits its assessed hotels by generating over $19 in overnight stays for every $1 it invests while also providing an important source of tax dollars to fund the city’s essential services, supporting thousands of direct tourism jobs, and attracting billions in visitor spending.

For the current fiscal year, the City Council unanimously approved $48 million in local, national and international tourism marketing investments funded by SDTMD. We are fortunate to have both government and industry stakeholders aligned behind maintaining the health and competitiveness of the San Diego tourism economy, but with so many local jobs and tax dollars on the line, continued smart tourism marketing investment is imperative.

Very sincerely,

Richard Bartell  
Board Chairperson

Colleen Anderson  
Executive Director

ROI Highlights of 2019:

- San Diego Bayfair 32.7:1
- California Police Athletic Federation 30.0:1
- ECNL Girls Soccer Playoffs 24.0:1
- San Diego Bay Wine + Food Festival 14.7:1
- Navy vs. Notre Dame Football Game 13.0:1
The San Diego Tourism Marketing District (SDTMD) is a Tourism Improvement District serving all areas within the City of San Diego. SDTMD allows lodging businesses within the City of San Diego to support efforts to increase tourism in the City, which in turn increases hotel room night stays and, therefore, increases transient occupancy tax (TOT) revenue back to the City. Through this model, the tourism marketing district creates a true economic engine for the City and the region as a whole.

Lodging businesses with 70 rooms or more located in the City of San Diego are charged a two percent assessment on each room night. SDTMD uses these dollars to fund programs, services and special events that will deliver room night sales to its assessed members. Working together through SDTMD, the member lodging businesses continue to create strong, measurable results in attracting tourism activity, increasing overnight stays and increasing San Diego’s tourism market share.

How TMD Makes an Impact

Overnight visitors come to the City. They stay in a hotel. A 2% assessment on each hotel room goes to TMD. TMD funds San Diego Tourism Authority and other groups/events. That activity attracts more visitors, filling more TMD hotel rooms. The City collects a 10.5% tax on those hotel rooms. The tax pays for public safety, road repair and other City services.
SDTMD: A Timeline of Tourism Stewardship

- **DECEMBER 2007**: Hotels vote to participate in a tourism marketing district.
- **DECEMBER 2008**: First Destination Master Plan in the history of San Diego complete.
- **JANUARY 2008**: City of San Diego renewed the SDTMD for a period of 49.5 years and entered into a new agreement.
- **APRIL 2013**: SDTMD funds development of a Destination Master Plan.
- **JANUARY 2014**: Collection of assessments begin.
- **NOVEMBER 2014**: SDTMD funds development of a Destination Master Plan.
- **2015**: SDTMD is approved for a five-year contract with the City of San Diego; first board meeting held.
**SDTMD: A Timeline of Tourism Stewardship**

- **JUNE**
  - City approves the release of $3M in funding for Experience San Diego (formerly known as Destination Master Plan) initiatives.

- **JUNE**
  - City approves release of $7M for national advertising campaign.

- **JULY**
  - Declaration for Success adopted—$1.33 billion in TOT over the next five years (2018-2022), growth of $400 million or 43 percent over the preceding five years (2013-2017).

- **AUGUST**
  - City approves district modification to assess properties of 70 rooms or more and five-year contract with SDTMD.

- **APRIL**
  - SDTMD completes five-year milestone report and presents to the City.

- **JUNE**
  - City approves the release of $5M in funding for new Experience San Diego initiatives.

- **JULY**
  - Responsibility for activation of Experience San Diego transfers to San Diego Tourism Authority.
Why Tourism Matters

San Diego needs tourism marketing to compete for visitors and sustain the jobs, visitor spending and tax revenues that benefit the City and its residents.

Tourism supports nearly 200,000 industry jobs in the county, and 1 in 8 jobs in the county are tourism jobs.

TOT is the third-largest source of City tax collections.

Of the City of San Diego’s total tourism workers, the pie chart shows that tourism employees live in every City district.

*Percent of residents employed with tourism jobs.

TOT helps fund essential City services such as homeless assistance, road repair, public safety and parks.
**Economic Impact of Tourism**

**$11.6 BILLION**
Total visitor spending (County CY18)

**$855 MILLION**
In state and local taxes (County CY18)

**$249 MILLION**
In City TOT Collections (FY19)

**Growth in TOT Collections**
City of San Diego

- FY14: $170M
- FY15: $186M
- FY16: $203M
- FY17: $221M
- FY18: $232M
- FY19: $249M

(Source: City of San Diego)

**SDTMD Direct Impact on TOT**
City of San Diego FY 2019

- **TOT $249M**
- **$86M**
  Estimated TOT generated from TMD programs

SDTMD directly contributed to an estimated 35% of total TOT collections.

(Source: SDTMD)
Market Assessment

The Economy and Travel

The global economy is in a slowdown, while the U.S. economy continues to see strength due to its strong fundamentals. The balance sheet for the U.S. has the global and political uncertainty weighing on business investment and confidence as a liability. However, on the asset side is low unemployment, wage growth, increased savings rates, and higher consumer confidence and spending. This combination has led to weaker group and international travel, but continued strength in leisure travel. In the U.S., the Leading Travel index (LTI) model developed by U.S. Travel indicates that travel will moderate at least through February 2020. Tourism Economics predicts consumer sentiment will cool a bit in 2020, more in line with business sentiment. While a recession is not imminent, Tourism Economics expects overall travel demand to soften in 2020.

San Diego Industry Performance

The visitor industry in San Diego County leveled off in FY19 following eight years of continued growth. In FY19, total visitors declined slightly (-0.7 percent) to 35.7 million visitors. Visitor spending, however, still grew 4.8 percent to $11.6 billion. The visitation declines were seen in the day and household overnight segments. Key to the San Diego economy is the hotel visitor, who numbered just over 10.2 million, up 1.4 percent in FY19, and accounted for 68 percent of visitor spending, or $7.9 billion.

FY19 was another year of record hotel performance in San Diego. The City of San Diego averaged 80 percent occupancy and a $176 average daily rate. San Diego County is a national powerhouse in the group market and averaged 31 percent in group occupancy, which accounted for 5.58 percent of the U.S. hotel group room nights in FY19, behind only Chicago, Washington DC, Orlando and Atlanta. The leisure transient market has been very strong as well with Friday and Saturday night occupancies averaging 76 and 79 percent respectively in FY19 in the County.

The overall market performance was spread throughout the Tourism Marketing District with all areas posting RevPAR growth in positive territory, which came mainly from growth in the average daily rate. Four of the seven regions had slight declines in occupancy. However, Mission Valley, North Coastal and North Inland areas delivered occupancy growth along with some of the strongest ADR gains to lead the growth for the region.

Together, the group and transient demand across the region delivered a record $249 million in Transient Occupancy Taxes in FY19 to the City of San Diego and $329 million throughout the County. The annual growth in City of San Diego FY19 TOT rebounded to 6.8 percent following 4.7 percent growth in FY18.
Opportunities & Challenges

Looking ahead, San Diego will face challenges that are expected to weigh on visitor spending and revenue growth as the overall economy and travel resets to lower growth rates and a new normal.

Business Travel Weakens
The economic and political uncertainty in the world has caused business investment and confidence to slow, hampering group and individual business travel demand. In 2019, the group room night market remained flat (0.2 percent growth). Cities will have to steal share to grow group business.

Hotel Supply Growth Will Outpace Demand Growth
San Diego’s hotel building cycle will add hotel rooms in the City, with a projected growth of nearly 2.1 percent in 2020 over 2019. As the economy and lodging highs begin to moderate, San Diego hotel room supply growth will outpace demand growth. In addition, the lodging landscape is diversifying with short-term rentals, professionally managed Airbnb hotels, branded vacation residences, pop-up hotels, etc. creating more choice for travelers. This is expected to put pressure on price and revenues, as more hotels compete for business.

Leisure Travel Growth to Slow
As the global and U.S. economy and travel growth rates begin to slow, competition to attract leisure travelers increases. While the leisure segment remained strong in 2019, there is an expected softening in this segment in 2020 as well.

Product Development in a Competitive Marketplace
A critical component to competing for conventions and leisure travel is the product offering. While many competitive cities are developing attractions and adding convention space, San Diego’s product development has been minimal.

According to Resonance’s City Tourism Index, “Product” is San Diego’s weakest category. However, there are rays of light. The Port Authority development of Seaport San Diego (2028) and the opening of the new Comic-Con Museum in 2021 will be the next new product to lure visitors. On the meetings side, the Convention Center expansion vote is set for March 2020 and, if passed, will add another 380,000 hotel room nights that will be critical to generating spending and taxes.

International Trade Wars and Political Impacts on International Visitation
Impacts of President Trump’s tariffs, especially with China, will continue to be felt in the economy in 2020 as prices on consumer goods increase without a final trade deal in place. The Chinese government’s response is through services, travel being the biggest. Chinese arrivals to the U.S. are expected to continue to be flat for the year. China is currently San Diego’s fourth largest international market with strong length of stay and spending patterns. In addition to trade, other political and military decisions made by President Trump may impact global uncertainty, having influence on international travel to and from the U.S.

Meanwhile, Los Angeles has been growing its transportation infrastructure with a $14 billion overhaul of LAX and adding rail, subway, bus and other modes of transportation. In addition, it is adding new attractions such as The Academy Museum and George Lucas Museum of Narrative Art as well as building sports stadiums and entertainment districts. Anaheim just finished its convention center expansion and Disneyland opened Star Wars: Galaxy’s Edge in May 2019.
SDTMD provides funding to support the marketing and promotional efforts of a variety of organizations that help the City of San Diego maintain its status as a competitive, first-tier visitor destination with compelling events and programming. The funding of these competitively-selected organizations by SDTMD has consistently resulted in growth in hotel room nights and revenue, which is vital to the strength and success of the tourism industry in San Diego.

The majority of SDTMD’s funding is awarded to the San Diego Tourism Authority (SDTA), the City’s Destination Marketing Organization of record. Remaining funds are allocated to organizations, events and programs that can demonstrate a projected increase in room nights at TMD-assessed hotels and a measurable return on investment.

All contractors supported by SDTMD are required to have clearly defined marketing strategies and activities that complement and enhance San Diego's tourism brand. The funded programs and events must help fill TMD lodging businesses of all sizes. In addition, they are required to abide by all requirements set forth in the City’s Operating Agreement with SDTMD.

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*TMD contracts with Real World Academics (RWA) to provide a consistent benchmark for SDTMD to compare event performance. Through a combination of electronic surveys and face-to-face interviews, RWA provides TMD with an analysis of each event that focuses on non-local attendees that stay in TMD assessed hotels. RWA calculates room revenue generated and divides by TMD investment to arrive at the ROI figures.
# Contractor Funding

<table>
<thead>
<tr>
<th>CONTRACTOR</th>
<th>FUNDING</th>
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<tbody>
<tr>
<td>San Diego Tourism Authority</td>
<td>$41,411,711</td>
</tr>
<tr>
<td>Best Coast Beer Fest</td>
<td>$53,050</td>
</tr>
<tr>
<td>California State Games (Summer &amp; Winter)</td>
<td>$175,000</td>
</tr>
<tr>
<td>Extreme Sailing</td>
<td>$248,782</td>
</tr>
<tr>
<td>Navy vs. Notre Dame Football Game</td>
<td>$200,000</td>
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<tr>
<td>San Diego Bay Wine + Food Festival</td>
<td>$74,145</td>
</tr>
<tr>
<td>San Diego Bayfair</td>
<td>$95,000</td>
</tr>
<tr>
<td>San Diego Brewers Guild — Beer Week</td>
<td>$21,500</td>
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<tr>
<td>San Diego Bowl Game Association: Holiday Bowl</td>
<td>$375,000</td>
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<tr>
<td>San Diego Gaelic Games</td>
<td>$23,397</td>
</tr>
<tr>
<td>San Diego Spring Crew Classic</td>
<td>$208,235</td>
</tr>
<tr>
<td>Surf Cup Thanksgiving Challenge</td>
<td>$37,000</td>
</tr>
<tr>
<td>Surf Cup ECNL Girls Playoffs</td>
<td>$80,000</td>
</tr>
<tr>
<td>Surf Cup Manchester City Cup</td>
<td>$40,000</td>
</tr>
<tr>
<td>Swoop Challenge</td>
<td>$50,000</td>
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<tr>
<td>California Police Athletic Federation</td>
<td>$41,133</td>
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<tr>
<td>US Soccer Summer Showcase</td>
<td>$370,000</td>
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<tr>
<td>USA Ultimate Frisbee National Championship</td>
<td>$30,000</td>
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<tr>
<td>USTA Billie Jean King Girls Tennis Championships</td>
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<td><strong>TOTAL</strong></td>
<td><strong>$43,583,953</strong></td>
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The San Diego Tourism Authority (SDTA) is the primary sales and marketing engine for the San Diego region. As a sales and marketing organization, the main objective of the SDTA is to promote and market San Diego as a preferred vacation and meeting destination for leisure and business travelers from around the world.

Incorporated in 1954, SDTA is a private not-for-profit 501(C)(6) organization and is governed by a 15-member board of directors. The SDTA is nimble in the marketplace, and as market conditions shift, programs are updated in order to best capitalize on opportunities and maximize ROI.

Investment of marketing funds from SDTMD has helped fuel SDTA efforts to promote San Diego as a diverse tourism market appealing to leisure and group travelers, and domestic and international visitors.

**ROI 19.8:1**

- FY2019 TMD Funding Amount: $41,411,711
- Hotel Room Nights*: 4,838,357
- Average Daily Rate (ADR): $169.09
- Total Room Night Revenue: $818,117,785

*Does not include citywide convention room nights
Fiscal Year 2019

Group Sales Highlights

- Booked 56 conventions representing over 1.1 million room nights
- Booked 386,316 new hotel meetings room nights at TMD properties
- The Sports Alliance team booked future events generating 108,450 hotel room nights
- Site experience team conducted 204 client events resulting in 680 hotel site visits and 146 venue site visits

Marketing Highlights

- Campaigns influenced 4.4 million room nights at TMD properties
- Generated roughly 2.88 billion paid advertising gross impressions
- Generated $31.5 million in public relations unpaid media value resulting in 2.3 billion impressions worldwide
- Generated 23 million engagements with digital platforms
- Hosted 64 Travel Trade Fam Tours with 418 attendees/clients
- Enrolled 472 travel agents as San Diego Specialists for a total of 2,678
- Marketed San Diego in eight countries
- Promoted Balboa Park as an iconic leisure asset for the destination

More details about SDTA programs are available in the SDTA Annual Report and can be found at www.sandiego.org/about
California State Games

ROI 19.3:1

July 2018 | February & March 2019

The California State Games is a multi-sport, Olympic style series of events held in summer and winter. The events bring thousands of athletes, families and spectators to San Diego and take place at numerous locations throughout the City. Events range from archery and taekwondo in the summer to hockey and skating in the winter.

FY19 Funding Amount $175,000
Hotel Room Nights * 19,210
Average Daily Rate (ADR) $175.93
Total Room Night Revenue $3,379,615

*Combined average of summer and winter events

USTA Billie Jean King Girls National Tennis Championship

ROI 10.8:1

August 4-12, 2018

The USTA Billie Jean King Girls National Championship is the premier hard-court tennis tournament for amateur and professional American girls ages 18 and under. The event draws participants from all 50 states with the winner receiving an entry to the U.S. Open. The tournament is televised nationwide.

FY19 Funding Amount $50,000
Hotel Room Nights 2,617
Average Daily Rate (ADR) $205.79
Total Room Night Revenue $538,552
San Diego Bayfair

September 14-16, 2018

Organized by a group of volunteers, San Diego Bayfair is a long-standing, three-day festival held in Mission Bay Park with powerboat racing as its centerpiece. The event is family-oriented, offering live music, beer gardens, kids' activities, food booths and a variety of other attractions. The 2018 event included the inaugural America’s Finest BBQ State Championship, which holds an official state sanctioning from the Kansas City Barbecue Society. Overall attendance at the 2018 event was up three percent over the year prior as a result.

FY19 Funding Amount $95,000
Hotel Room Nights 18,497
Average Daily Rate (ADR) $167.78
Total Room Night Revenue $3,103,427

Swoop Challenge

September 15, 2018

Swoop Freestyle FAI World Championships (SFFWC) is the official World Championship event in Freestyle Swooping and one of the world’s largest air sport events. Internationally accredited in 2017 by the respective governing bodies, Federation Aeronautique Internationale (FAI) and International Parachuting Commission (IPC), SFFWC achieved a new milestone in 2018 by successfully expanding to a two-location series that culminated in San Diego in September. The event included a street festival with live music, indie food and street entertainment to attract a wide-ranging demographic.

FY19 Funding Amount $50,000
Hotel Room Nights 1,445
Average Daily Rate (ADR) $208.50
Total Room Night Revenue $301,283
Extreme Sailing

October 18-21, 2018

The Extreme Sailing Series is marketed as the original “Stadium Racing” sailing circuit. The San Diego competition took place on San Diego Bay immediately off Harbor Island with a series of hydro-foiling GC32 catamaran races featuring teams from all over the world. The event includes VIP areas, viewing areas and a free racing village.

FY19 Funding Amount  $248,782
Hotel Room Nights  1,357
Average Daily Rate (ADR)  $255.85
Total Room Night Revenue  $347,188
Navy vs. Notre Dame Football Game

October 27, 2018

The Navy vs. Notre Dame Football Game is a football rivalry that has been played annually since 1927. Due to the large crowds that attend, the Navy hosts its home games at large stadiums in marquee destinations. The 2018 game in San Diego marked the first time the two teams have ever faced off on the West Coast and the first time Notre Dame has ever played a football game in San Diego. The game was nationally televised on CBS and attended by more than 63,000 people.

FY19 Funding Amount  $200,000
Hotel Room Nights  12,595
Average Daily Rate (ADR)  $205.70
Total Room Night Revenue  $2,590,792

San Diego Brewers Guild — Beer Week

November 2-11, 2018

San Diego Beer Week (SDBW) has become a premier, extended craft beer festival with over 600 events promoting San Diego’s thriving craft beer culture. The 2018 celebration included over 50 breweries that participated in beer dinners, tours, classes, bottle tastings and a variety of festivals.

FY19 Funding Amount  $21,500
Hotel Room Nights  1,509
Average Daily Rate (ADR)  $208.55
Total Room Night Revenue  $314,702
San Diego Bay Wine + Food Festival

November 12-18, 2018

The San Diego Bay Wine + Food Festival is one of the nation’s largest luxury culinary events and draws over ten thousand attendees, with more than a third from outside San Diego. Ranked by USA Today as the #1 Wine and Food event in the U.S., the SDBWFF culminates in a Grand Tasting at Embarcadero Park. In the past three years, the festival also has expanded to include a three-day educational conference for wine professionals called SommCon.

ROI 14.7:1

FY19 Funding Amount $74,145
Hotel Room Nights 5,208
Average Daily Rate (ADR) $209.00
Total Room Night Revenue $1,088,472

Surf Cup – Thanksgiving Challenge

November 21-25, 2018

San Diego Surf is the premier youth soccer club established in 1980 and headquartered in San Diego, California. The Surf Challenge is played each November over Thanksgiving week in North San Diego. The event attracts hundreds of teams and college coaches who use the event as a scouting opportunity. In 2018, 900 teams participated, making it one of the busiest Thanksgiving weekend events in the region.

ROI 24.0:1

FY19 Funding Amount $37,000
Hotel Room Nights 5,539
Average Daily Rate (ADR) $160.47
Total Room Night Revenue $888,843
Produced by the San Diego Bowl Game Association, the Holiday Bowl features the top teams from the Pac-12 and Big Ten Conferences. This San Diego institution consistently draws over 50,000 spectators, many whom are non-local, each year. What’s more, an estimated six million viewers, many living in areas experiencing winter conditions, see sunny San Diego in December as a result of game coverage by Fox Sports. Included with the game admission ticket is access to a pregame FanZone with San Diego craft beer garden, food trucks, interactive sports games and a sports lounge.

| FY19 Funding Amount | $375,000 |
| Hotel Room Nights | 22,889 |
| Average Daily Rate (ADR) | $176.87 |
| Total Room Night Revenue | $4,048,377 |

**December 31, 2018**

Best Coast Beer Fest is San Diego’s most well-attended beer festival, held annually at the Embarcadero Marina Park South. Over 4,000 attendees have the opportunity to sample and learn about over 300 beers from 85 breweries and seven distilleries. The event also includes local cuisine, entertainment and artisan vendors. New for 2019 were regional tents that featured beers from different West Coast destinations and a Best Coast Beer Brunch held on the day following the festival.

| FY19 Funding Amount | $53,050 |
| Hotel Room Nights | 1,110 |
| Average Daily Rate (ADR) | $209.55 |
| Total Room Night Revenue | $232,601 |
April 5-7, 2019

San Diego Crew Classic

ROI 4.9:1

After 45 years, the San Diego Crew Classic is viewed as the premier Spring rowing event in the nation. The three-day event, with live-stream coverage viewed world-wide, features 3,500 athletes from across North America participating in 120 races along the shores of Mission Bay Park. The event includes retail kiosks, a variety of foods and a Jumbotron viewing area as its center point. A highlight of the event is Freedom Rows, which includes competitions with wounded warrior athletes from around the country. The California SwimRun on Sunday helps to encourage participants to stay through the weekend and brings new competitors, vendors and fans.

FY19 Funding Amount $208,235
Hotel Room Nights 5,207
Average Daily Rate (ADR) $195.79
Total Room Night Revenue $1,019,479

San Diego Gaelic Games

April 15-18, 2019

San Diego Gaelic Games (aka West Coast Sevens) is an annual Gaelic Games tournament and the largest Gaelic Games tournament held outside of Ireland. The 7th annual games in 2019 included 45 teams who competed in the national sports of Ireland: Gaelic Football, Ladies Gaelic Football, Hurling and Camogie. Clubs from 18 different cities in Canada, Ireland and the U.S. participated. The games were live streamed over the course of the event.

FY19 Funding Amount $23,397
Hotel Room Nights 342
Average Daily Rate (ADR) $181.61
Total Room Night Revenue $62,111
Surf Cup Manchester City Cup

May 24-27, 2019

The Surf Cup Manchester City Cup soccer tournament has steadily become one of the top three tournaments of its kind in the country. For 2019, it returned to San Diego and boasted a new, extended play format that guaranteed every participating team four competitive games. The tournament accepted 422 top-level teams, an increase of 100 over the previous year.

<table>
<thead>
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<th>FY19 Funding Amount</th>
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<tr>
<td>Hotel Room Nights</td>
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<td>Average Daily Rate (ADR)</td>
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<tr>
<td>Total Room Night Revenue</td>
<td>$529,926</td>
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</table>

California Police Athletic Federation—U.S. Police & Fire Championships

June 2-9, 2019

The first California Police Olympics were founded in 1967 to promote physical fitness and camaraderie among members of the law enforcement community. After inclusion of firefighters in 2000 and the addition of several Western states into the competition, organizers changed the name of the competition to the Western States Police and Fire Games. Since 2012, the Games have been known as the United States Police and Fire Championships. Athletes from around the country compete in 50 different sports in 35 venues around San Diego county.

<table>
<thead>
<tr>
<th>FY19 Funding Amount</th>
<th>$41,133</th>
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<tr>
<td>Hotel Room Nights</td>
<td>7,343</td>
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<td>Average Daily Rate (ADR)</td>
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<tr>
<td>Total Room Night Revenue</td>
<td>$1,236,194</td>
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</tbody>
</table>
U.S. Summer Soccer Showcase

June 17-30, 2019

The U.S. Soccer Development Academy is for elite youth soccer players. The Academy Program's philosophy is based on increased training and more meaningful games using international rules of competition. The U.S. Summer Soccer Showcase is a culminating event for boys and girls teams in the U.S. Soccer Development Academy. The 2019 event was expanded to include an additional 32 teams and is mandatory for all Academy teams.

ROI 10.5:1

FY19 Funding Amount $370,000
Hotel Room Nights 19,256
Average Daily Rate (ADR) $202.45
Total Room Night Revenue $3,898,377

Surf Challenge Surf Cup ECNL Girls Playoffs

June 25-July 1, 2019

The Girls Elite Clubs National League (ECNL) was founded to improve the daily environment for girl youth soccer players through collaborative club-based development programs featuring competition, player identification and coaching platforms. In its second year, the Girls ECNL Playoffs included 100 teams, a growth of 40 percent over the previous year. The competition is comprised of regional conferences and tiered levels of national competition to allow the best match-ups across the league.

ROI 24.0:1

FY19 Funding Amount $80,000
Hotel Room Nights 10,345
Average Daily Rate (ADR) $185.96
Total Room Night Revenue $1,923,756
Board of Directors FY 2020

EXECUTIVE OFFICERS

Richard Bartell | Chair
President, Bartell Hotels

C. Terry Brown | Vice-Chair
President, Atlas Hotels

Tim Herrmann | Secretary
General Manager, Marriott Marquis San Diego

Vikram Sood | Treasurer
SVP Operations, RAR Hospitality

BOARD MEMBERS

Alyssa Turowski
General Manager, Westin San Diego

Ilse Butler
SVP Sales & Marketing, Evans Hotels

Steve Cowan
General Manager, Hilton San Diego Bayfront

Summer Shoemaker
General Manager, La Valencia Hotel

Matt Greene
SVP Operations, Evolution Hospitality

STAFF

Colleen Anderson
Executive Director
## FY 2019 Financials

For Years Ending June 30, 2018 & 2019*

### ASSETS

<table>
<thead>
<tr>
<th>Current assets</th>
<th>2018</th>
<th>2019</th>
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<td>Cash</td>
<td>1,774,220</td>
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<td>Accounts receivable</td>
<td>1,373,253</td>
<td>2,209,582</td>
</tr>
<tr>
<td>City holdbacks, current</td>
<td>11,105,611</td>
<td>11,934,732</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>214,060</td>
<td>60,147</td>
</tr>
<tr>
<td>Accrued interest income</td>
<td>75,679</td>
<td>2,800</td>
</tr>
<tr>
<td>Advances to contractors</td>
<td>1,322,133</td>
<td>3,000,000</td>
</tr>
<tr>
<td>Total current assets</td>
<td>15,864,956</td>
<td>22,859,474</td>
</tr>
<tr>
<td>Other assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Security deposits</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>City holdbacks, net of current portion</td>
<td>22,000,000</td>
<td>14,942,464</td>
</tr>
<tr>
<td>Total other assets</td>
<td>22,000,000</td>
<td>14,942,464</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>37,864,956</strong></td>
<td><strong>37,801,938</strong></td>
</tr>
</tbody>
</table>

### LIABILITIES & NET ASSETS

<table>
<thead>
<tr>
<th>Current liabilities</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>4,909,197</td>
<td>9,553,975</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>5,283,173</td>
<td>4,976,964</td>
</tr>
<tr>
<td>Indemnification, reserve current</td>
<td>5,000,000</td>
<td>7,111,332</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>15,192,370</td>
<td>21,642,271</td>
</tr>
<tr>
<td>Long-term debt</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Indemnification reserve, net of current</td>
<td>22,000,000</td>
<td>14,942,464</td>
</tr>
<tr>
<td>Total long-term debt</td>
<td>22,000,000</td>
<td>14,942,464</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>37,192,370</td>
<td>14,942,464</td>
</tr>
<tr>
<td>Net assets</td>
<td>672,586</td>
<td>1,217,203</td>
</tr>
<tr>
<td>Total net assets</td>
<td>672,586</td>
<td>1,217,203</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES &amp; NET ASSETS</strong></td>
<td><strong>37,864,956</strong></td>
<td><strong>37,801,938</strong></td>
</tr>
</tbody>
</table>
## Statements of Activities

For Years Ending June 30, 2018 & 2019*

### REVENUE & SUPPORT

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tourism Marketing District revenue</td>
<td>38,243,775</td>
<td>44,917,468</td>
</tr>
<tr>
<td>Other income</td>
<td>30,603</td>
<td>69,741</td>
</tr>
<tr>
<td>Interest income</td>
<td>463,646</td>
<td>663,188</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE &amp; SUPPORT</strong></td>
<td><strong>38,738,024</strong></td>
<td><strong>45,650,397</strong></td>
</tr>
</tbody>
</table>

### EXPENSES

#### Program services

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allocations to contractors</td>
<td>37,241,212</td>
<td>43,583,953</td>
</tr>
<tr>
<td>Tourism development</td>
<td>177,590</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL PROGRAM EXPENSES</strong></td>
<td><strong>37,418,802</strong></td>
<td><strong>43,583,953</strong></td>
</tr>
</tbody>
</table>

#### SUPPORT SERVICES

#### Management & general

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>SDTMD operations</td>
<td>1,131,633</td>
<td>987,149</td>
</tr>
<tr>
<td>Administrative fee to the City of San Diego</td>
<td>456,831</td>
<td>534,678</td>
</tr>
<tr>
<td><strong>TOTAL SUPPORT SERVICES EXPENSES</strong></td>
<td><strong>1,588,464</strong></td>
<td><strong>1,521,827</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase (decrease) net assets without donor restrictions</td>
<td>(269,242)</td>
<td>544,617</td>
</tr>
<tr>
<td>Net assets, beginning of year</td>
<td>941,828</td>
<td>672,586</td>
</tr>
<tr>
<td>Net assets, end of year</td>
<td>672,586</td>
<td>1,217,203</td>
</tr>
</tbody>
</table>

* Further detail on the SDTMD Corporation’s audited financials can be obtained from our website at sdtmd.org/reports.
The San Diego Tourism Marketing District (SDTMD) is a city-wide Tourism Improvement District encompassing all areas within the city limits of the City of San Diego.

This report was funded in part by the San Diego Tourism Marketing District Corporation with City of San Diego Tourism Marketing District assessment funds.