

August 24, 2024

Hello,

At our most recent Tourism Improvement District Management Corporation Board of Directors meeting (TIDMC Board), held last Friday, the Board voted in favor of increasing the TID assessments by 1%, effective November 1, 2024.

This was not a decision made lightly. However, the [TIDMC Management Plan](#) permits our Board to raise assessments when “unforeseen or critical needs” arise—and, unfortunately, we find ourselves facing such circumstances right now.

To state it plainly, San Francisco is not a competitive destination at this moment in time. Our rivals nationwide are generating significantly more revenue than we are, allowing their DMOs to be more fully staffed and to execute a wider range of programs and campaigns. As a result, we are regularly losing business commitments that would otherwise have been well within our grasp.

This lack of revenue also leaves us in the current position of being unable to fulfill our many obligations—financial or otherwise—to the top-tier sporting events coming to San Francisco and the Bay Area over the next two years, including the NBA All-Star Game, the Laver Cup, Super Bowl XL, and the FIFA World Cup. It is imperative that we demonstrate that San Francisco is capable of hosting events like these in an efficient, reliable, and collaborative manner to continue attracting them in the future.

Lastly, San Francisco Travel, which receives the majority of its funding from the TID assessment, has yet to build back its reserve fund, forcing the organization to walk a financial tightrope. San Francisco Travel’s reserves are what kept the organization alive in the depths of the pandemic. To continue moving forward without a similar safety net in place goes against best practices and operating policies.

The 1% increase in TID assessment is forecasted to generate an additional \$14.6M in revenue that can be put toward meeting these challenges and seizing upon other opportunities.

Now that the increase has been approved by a supermajority of the TIDMC Board, the City Treasurer and Tax Collector’s Office will begin notifying assessed businesses. All will be contacted 60 days prior to the increase taking effect. Please be aware that the TIDMC Board is required by the Management Plan to revisit an extraordinary increase such as this in one year’s time, in order to determine if the raised assessment should continue.

More information can be found in the [agenda](#) from last Friday’s board meeting, which, like all meeting agendas, is available to the public.

Thank you for the tremendous efforts you have all shown in making visitors to San Francisco feel welcome, safe, and appreciated at your businesses. Your support for and love of our city is essential to its success.

Sincerely,

Markus Treppenhauer

Chair, San Francisco TID Board of Directors