



## Annual Report | 2014-2015

The San Francisco Tourism Improvement District Management Corporation (SFTIDMC) is the owners association group that oversees the San Francisco Tourism Improvement District (TID) and the San Francisco Moscone Expansion District (MED). The San Francisco Tourism Improvement District Management Corporation, governed by a board of industry representatives, ensures that the funds are used to benefit the assessed businesses by allocating them to San Francisco Travel programs that draw conventions, meetings, events and leisure travelers to San Francisco, and by keeping the city's convention facilities competitive with those of other major cities.

### **San Francisco Tourism Improvement District**

The San Francisco Tourism Improvement District ensures that funding for the San Francisco Travel Association's selling, marketing and promotion of San Francisco as a visitor destination.





## SALES AND MARKETING PROGRAM

The purpose of the sales and marketing program of work is to set industry standards and position San Francisco as the most compelling destination in the world. One of the primary objectives is to generate visitor-related economic impact to San Francisco and the region. SFTIDMC contracts the services of the San Francisco Travel Association which, with more than 100 years' of expertise, is well positioned to fulfill this goal.

With the benefit of the TID funding, San Francisco Travel has been able to conduct a comprehensive review and strategic analysis of the industry, and has created a plan that focuses on being proactive and setting new, visionary strategies to lead San Francisco's tourism industry.

Highlights of **San Francisco Travel** activity during FY 2014-2015:

### Convention and Meeting Sales

- Over 10 million room nights in San Francisco hotels
- \$1.3 +billion in direct spending
- Sales mission to Washington, DC and Chicago reaching over with over 110 meeting planners
- Attended over 50 trade shows and events including Meeting Professional International, Professional Convention Management Association, International PowWow

**1.9 + million**

Total room nights booked

### Marketing Promotion

San Francisco's balanced mix of convention/ meetings travel, leisure/consumer travel and business travel means that the city isn't as vulnerable to swings in any one market as some other destinations. Leisure visitors comprise 75% of all trips to San Francisco. San Francisco Travel's leisure marketing team has the enviable task of building relationships with, inviting, converting and retaining potential and existing San Francisco leisure travelers.

### Visitor Information Center (ViC)

400,000 visitors per year  
14 languages spoken by staff and volunteers





### **SanFrancisco.travel**

5+ million visitors  
\$300+ million in economic impact

### **Key Marketing Themes**

Never the same. Always San Francisco.  
Art & Culture  
Food & Wine  
Diversity  
Sustainable Travel

### **Social Media**

Facebook 62+ million impressions  
Twitter 169,000+ followers  
Instagram 100,000+ followers

**18 Million visitors to  
San Francisco**

**\$10.7 billion visitor  
spending**

### **Publications Produced**

#### **Visitor Planning Guide, Produced Bi-Annually**

- The official leisure visitor fulfillment piece is distributed to 225,000 travelers annually.

#### **Meeting Planners Guide, annual**

- Reach 15,000 meeting and travel professionals who bring high - value travelers to San Francisco.
- Direct-mailed to an exclusive list of meeting professionals, travel agents and tour operators in the U.S. and Canada
- 14 overseas travel representative offices

### **Tourism Sales and Marketing**

- 4+ million international visitors to San Francisco
- San Francisco Travel has 14 representation offices in 13 different countries that are responsible for direct contact with the travel trade and media promoting San Francisco.
- Partnered with SFO on new air service to Dublin, China and Abu Dhabi.
- San Francisco Travel hosted over 1,000 travel professionals in 2014-15
- San Francisco hosted 800+ journalists
- Media Coverage
  - 5 billion impressions
  - \$300+ million value



## MOSCONE EXPANSION DISTRICT



- Construction began on the Moscone Expansion and Renovation project in November 2014. Phase 0, make ready work, was completed in April of 2015. Phase 1 construction started in April 2015.
- Ground Breaking Ceremony was on May 21, 2015
- Continued communications with Convention clients that are booked through the construction years. Goal is to have Moscone Center remain open and operational throughout the project.
- Over \$1.26 million was utilized to provide convention customers with rental incentives to attached conventions to San Francisco.
- A renovation project to install new air wall panels with door locks at Moscone West was completed.

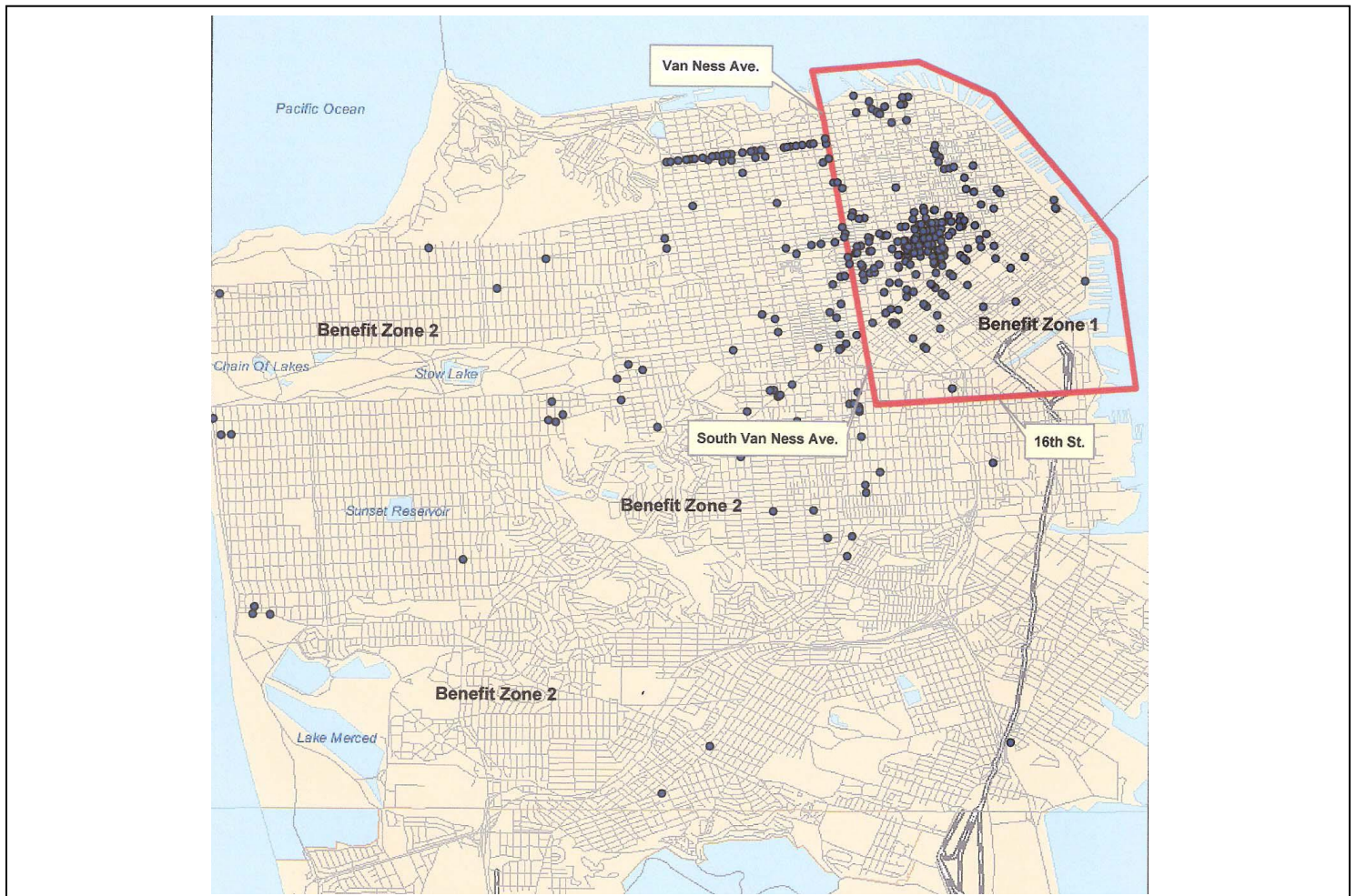


### TID and MED COLLECTION METHODOLOGY

Tourist hotels are broken up into two zones. The zones are the same for the TID and MED assessments. Tourist hotels in Zone 1 are assessed 1% of gross revenue from tourist rooms for the TID and 1.25% for the MED. Tourist hotels in Zone 2 are assessed 75% of gross revenue from tourist rooms for TID and .3125 for the MED.

**Zone 1 Tourist hotels:** All tourist hotels with addresses on or east of Van Ness Avenue, on or east of South Van Ness Avenue, and on or north of 16<sup>th</sup> Street from South Van Ness to the Bay, including all tourist hotels east of Van Ness Avenue as if it continued north to the Bay, and north of 16<sup>th</sup> Street as if it continued east to the Bay.

**Zone 2 Tourist hotels:** All tourist hotels with addresses west of Van Ness Avenue and South Van Ness Avenue, and all tourist hotels south of 16<sup>th</sup> Street.





**San Francisco Tourism Improvement District Management Corporation (SFTIDMC)**

**BUDGET & BALANCE SHEET**

San Francisco Tourism Improvement District Management Corporation (SFTIDMC)  
 Tourism Improvement District & Moscone Expansion District  
 BUDGET + BALANCE SHEET

JULY 2014-JUNE 2015 ACTUAL	TID	MED	TOTAL
<b>INCOME</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ACTUAL</b>
Assessment Fee	\$24,471,280	\$28,756,795	\$53,228,075
Interest Income	\$40,316	\$67,655	\$107,971
<b>TOTAL INCOME</b>	<b>\$24,511,596</b>	<b>\$28,824,450</b>	<b>\$53,336,046</b>
<b>EXPENSES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ACTUAL</b>
SFTA Marketing & Operations	\$21,815,239	\$0	\$21,815,239
Moscone Convention Center Development and Expansion	\$0	\$16,383,424	\$16,383,424
Moscone Convention Center Capital Fund	\$0	\$307,170	\$307,170
Moscone Convention Center Incentive Fund	\$0	\$1,350,000	\$1,350,000
SFTIDMC Administration and Operating Expenses	\$547,003	\$306,977	\$853,980
<b>TOTAL EXPENSES</b>	<b>\$22,362,242</b>	<b>\$18,347,571</b>	<b>\$40,709,813</b>

JULY 2014-JUNE 2015 BALANCE SHEET	TID	MED	TOTAL
<b>ASSETS</b>			
Cash	\$9,709,304	\$17,505,899	\$27,215,203
Accounts Receivable, Net	\$5,526,307	\$6,622,695	\$12,149,002
<b>TOTAL ASSETS</b>	<b>\$15,235,611</b>	<b>\$24,128,594</b>	<b>\$39,364,205</b>
<b>LIABILITIES</b>			
Accounts Payable	\$790	\$5,592,059	\$5,592,849
Accrued Liabilities	\$18,000	\$22,000	\$40,000
<b>TOTAL LIABILITIES</b>	<b>\$18,790</b>	<b>\$5,614,059</b>	<b>\$5,632,849</b>
<b>TOTAL NET ASSETS (CARRYOVER)</b>	<b>\$15,216,821</b>	<b>\$18,514,535</b>	<b>\$33,731,356</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>\$15,235,611</b>	<b>\$24,128,594</b>	<b>\$39,364,205</b>



<b>JULY 2015-JUNE 2016 BUDGET</b>		<b>TID</b>	<b>MED</b>	<b>TOTAL</b>
<b>INCOME</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>BUDGET</b>	
Assessment Fee	\$25,042,000	\$29,322,000		\$54,364,000
Interest Income	\$0	\$0		\$0
<b>TOTAL INCOME</b>	<b>\$25,042,000</b>	<b>\$29,322,000</b>		<b>\$54,364,000</b>
<b>EXPENSES</b>	<b>BUDGET</b>	<b>BUDGET</b>		<b>BUDGET</b>
SFTA Marketing & Operations	\$24,677,500	\$0		\$24,677,500
Moscone Convention Center Development & Expansion	\$0	\$25,266,500		\$25,266,500
Moscone Convention Center Capital Fund	\$0	\$289,000		\$289,000
Moscone Convention Center Incentive Fund	\$0	\$2,599,000		\$2,599,000
SFTIDMC Administration	\$364,500	\$445,500		\$810,000
Contingency/Reserve	\$0	\$722,000		\$722,000
<b>TOTAL EXPENSES</b>	<b>\$25,042,000</b>	<b>\$29,322,000</b>		<b>\$54,364,000</b>
<b>NET INCOME</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>PROJECTED CARRYOVER DISBURSEMENT</b>	<b>TID</b>	<b>MED</b>	<b>TOTAL</b>	<b>TO BE USED IN FY 2015-2016</b>	<b>TO BE USED IN FUTURE YEARS</b>
<b>CARRYOVER</b>					
SFTA Marketing & Operations	\$11,558,987	\$0	\$11,558,987	\$0	\$11,558,987
Moscone Convention Center Development and Expansion	\$0	\$15,153,895	\$15,153,895	\$0	\$15,153,895
Moscone Convention Center Capital Fund	\$2,334,361	\$138,207	\$2,472,568	\$0	\$2,472,568
Moscone Convention Center Incentive Fund	\$652,083	\$2,658,424	\$3,310,507	\$0	\$3,310,507
Contingency/Reserve	\$671,390	\$564,010	\$1,235,400	\$0	\$1,235,400
<b>TOTAL APPROVED DISBURSEMENT</b>	<b>\$15,216,811</b>	<b>\$18,514,536</b>	<b>\$33,731,347</b>	<b>\$0</b>	<b>\$33,731,347</b>



## **SFTID Board of Directors | FY 2014-15**

### **BOARD CHAIR**

Toni Knorr, St Regis Hotel

### **BOARD VICE-CHAIR**

Ralph Lee, Hotel Whitcomb

### **SECRETARY/TREASURER**

David von Winkler, Kimpton Hotels

### **Board Members**

Rodrigo Enriquez, Extronomical Adventures

Karlene Holloman, Commune Hotels

Thomas Klein, Fairmont Hotels

John Noguchi, City and County of San Francisco

Chuck Pacioni, Marriott Marquis

Stephen Revetria, Giants Enterprises

Rick Swig, RSBA & Associates