



Annual Report | 2011-2012

Tourism is San Francisco's largest industry, generating nearly \$8 billion in direct spending, benefitting San Francisco's residents and businesses.

The mission of the San Francisco Tourism Improvement District (SFTID) is to ensure that funding for the San Francisco Travel Association sales, marketing and promotional efforts on behalf of San Francisco as a visitor destination, and the renovation and expansion of Moscone Center, is maintained at an aggressive and competitive level. As the organization tasked with nurturing the health and vitality of San Francisco's largest industry, tourism, the San Francisco Travel Association has never been more prepared and in a better position than they are in today.

This report reviews achievements of the past year and documents the TID's activities.

With the continued support of the hotels that care deeply about the success of this industry, the TID looks forward to another year of continued success.

Sincerely,

Dan Kelleher, SFTID Board Chair





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. The TID 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 TID funding, the San Francisco Travel Association 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 the San Francisco Travel Association activity during FY 2011-2012:

**New Tourism
Leads = 759**

Tourism Sales and Marketing

- San Francisco Travel's tourism staff brought nearly 1,000 travel industry professionals to San Francisco for familiarization ("fam") tours, providing educational and familiarization visits to the area.
- Staff generated 759 new tourism leads for partners and 91 new programs.
- San Francisco Travel hosted the first dedicated sales mission to Canada. They also hosted trade shows and promotional events in the U.S., Canada, Asia, Europe and Australia.

Convention and Meeting Sales

- Conventions generated 1,150 meetings with \$1.1 billion in direct spending.
- San Francisco Travel's convention division generated sales leads for future meetings with a potential of 5,814,597 hotel room nights.
- San Francisco Travel hosted client events and sales missions in Chicago, DC and for the Giants baseball opening day.

**\$1.1 billion in
direct spending**



Marketing

- San Francisco Travel's new website, www.sanfrancisco.travel hosted over 3 million unique visitors, with an economic impact of \$47 million. The website continues to be the primary source of current information for consumers and members. In addition, San Francisco Travel's social media program has been successful, with over 460,000 facebook likes and 83,000 twitter followers. 2,000 instagram images were generated during the 49 Hours of San Francisco Spring campaign.
- San Francisco Travel operates a Visitor Information Center in Hallidie Plaza in downtown San Francisco that is open 336 days a year (closed Sundays from Nov - May). In 2011-2012, planning and construction was completed on a comprehensive renovation of the Center to better facilitate visitor interactions.
- Ongoing marketing programs included: 49 Hours Campaign, Dine about Town in January and June
- San Francisco Travel's media relations staff assisted over 1,400 journalists and travel writers with information to use in newspapers, magazines and television shows featuring San Francisco as a travel destination. This generated 1 million media impressions with \$8 million in publicity value.
- San Francisco Travel established a new strategic marketing/publishing partnership with Miles Media. San Francisco Travel published *The San Francisco Book*, an approx. 118-page travel guide and a 142-page *Visitors Planning Guide* for distribution to the public. In addition, a 200-page *Meeting & Event Planner's Guide* and a 120-page *Professional Travel Planner's Guide* are also published for free distribution to the trade world-wide.

**3 million unique
visitors to
Sanfrancisco.travel**

**1 million media
impressions**



MOSCONE RENOVATION & EXPANSION

The TID began work on the renovation of the Moscone Center in August of 2010. In FY 2011-2012 the project did the bulk of construction. The TID, working closely with the project team (City & County of San Francisco Department of Public Works, Jones Lange LaSalle Americas, Inc., Webcor Builders and HOK Architects) reviewed scope and design to move forward with renovation that identified and prioritized the upgrades needed.

The construction work finished in May 2012, on time, under budget and without disruption to convention clients. The upgrade and renovation work ranged from basic aesthetic improvements to significant infrastructure projects, including:

- New carpet, paint, lighting and ceilings, upgraded lobbies, upgraded kitchen
- Restroom renovations with new fixtures, tile, paint and partitions
- Digital displays and telecom/data cabling upgrades
- Most robust convention center WiFi system in the country
- Elevator and escalator improvements
- Variable-speed control and other HVAC upgrades
- Pursuing LEED Gold Certification



The Moscone Expansion Project retained the architecture and engineering firm Skidmore, Owning and Merrill in June 2012 to begin the concept design of potential expansion.

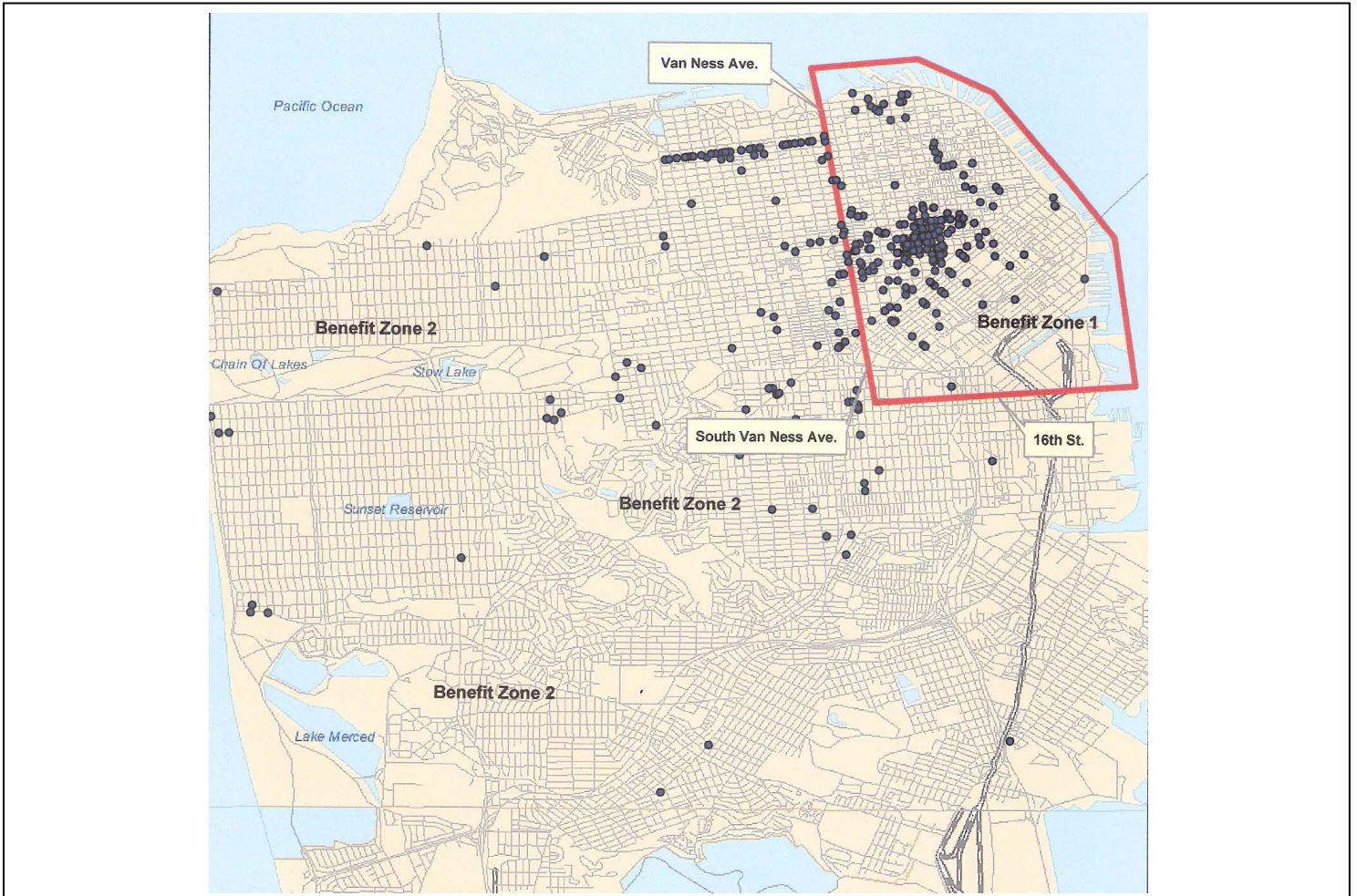


TID COLLECTION METHODOLOGY

Tourist hotels are broken up into two Zones. Tourist hotels in Zone 1 are assessed 1.5% of gross revenue from tourist rooms for years 1 – 5, and 1% of gross revenue from tourist rooms for years 6 - 15. Tourist hotels in Zone 2 are assessed 1% of gross revenue from tourist rooms for years 1 - 5, and 0.75% of gross revenue from tourist rooms for years 6 - 15.

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 16th 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 16th 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 16th Street.





San Francisco Tourism Improvement District Management Corporation (TIDMC)

BUDGET & BALANCE SHEET

JULY 2011-JUNE 2012 ACTUAL

INCOME	ACTUAL	REVISED BUDGET	OVER/(UNDER) BUDGET
Assessment Fee	\$24,808,837	\$24,000,000	\$808,837
Interest Income	\$18,349	\$20,000	(\$1,651)
TOTAL INCOME	\$24,827,186	\$24,020,000	\$807,186
EXPENSES	ACTUAL	REVISED BUDGET	OVER/(UNDER) BUDGET
SFTA Marketing & Operations	\$15,869,673	\$15,869,673	\$0
Moscone Convention Center Services and Improvements	\$15,316,688	\$15,137,600	\$179,088
SFTIDMC Administration	\$451,516	\$600,000	(\$148,484)
TOTAL EXPENSES	\$31,637,877	\$31,607,273	\$30,604
NET INCOME	(\$6,810,691)	(\$7,587,273)	\$776,582

JULY 2011-JUNE 2012 BALANCE SHEET

ASSETS

Cash	\$7,563,366
Accounts Receivable, Net	\$5,916,572
TOTAL ASSETS	\$13,479,938

LIABILITIES

Accounts Payable	\$5,691,444
Accrued Liabilities	\$25,500
TOTAL LIABILITIES	\$5,716,944
TOTAL NET ASSETS (CARRYOVER)	\$7,762,994
TOTAL LIABILITIES & NET ASSETS	\$13,479,938



JULY 2012-JUNE 2013 BUDGET	
INCOME	BUDGET
Assessment Fee	\$25,700,000
Interest Income	\$20,000
TOTAL INCOME	\$25,720,000
EXPENSES	BUDGET
SFTA Marketing & Operations	\$16,885,000
Moscone Convention Center Services and Improvements	\$8,335,000
SFTIDMC Administration	\$500,000
TOTAL EXPENSES	\$25,720,000
NET INCOME	\$0

PROJECTED CARRYOVER DISBURSEMENT			
CARRYOVER	TOTAL	TO BE USED IN FY 2012-2013	TO BE USED IN FUTURE YEARS
SFTA Marketing & Operations	\$6,800,512		\$6,800,512
Moscone Convention Center Services and Improvements	\$291,092		\$291,092
Contingency/Reserve	\$671,390		\$671,390
TOTAL CARRYOVER DISBURSEMENT	\$7,762,994	\$0	\$7,762,994



SFTID Board of Directors | FY 2011-2012

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