



San Francisco Tourism Improvement District & Moscone Expansion District FY 2018-2019 Annual Report



Legislative Overview

Community Benefit Districts (CBDs) / Property Business Improvement Districts (PBIDs) are governed by:

- State law
 - “1994 Act”
- Local law
 - “Article 15”



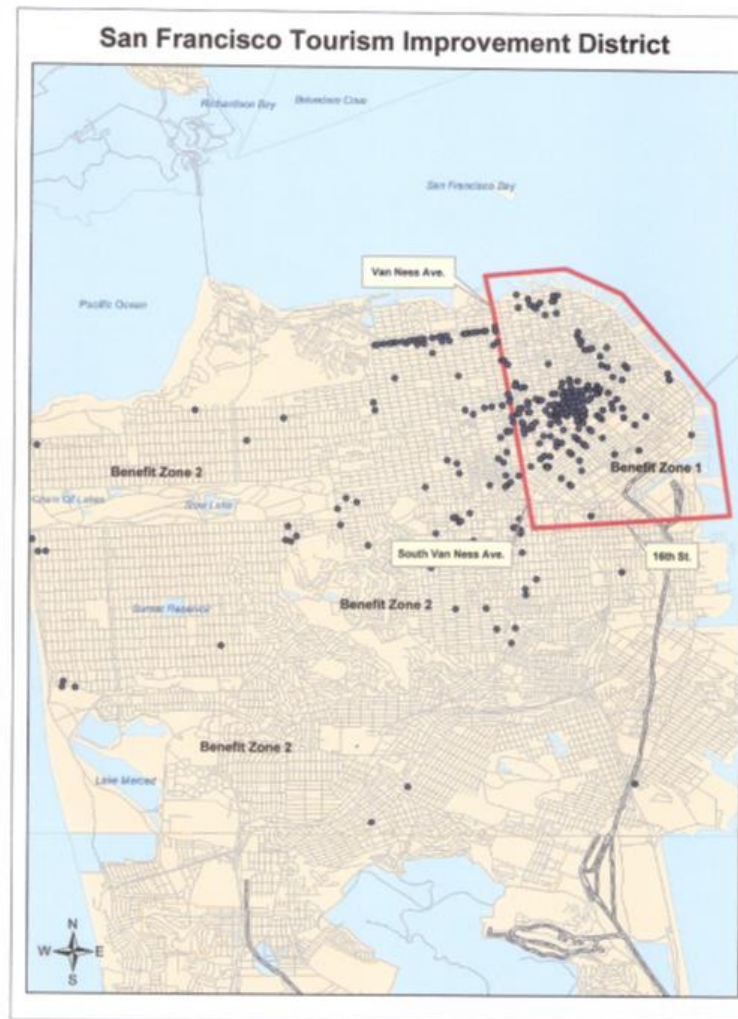
Review Process

This resolution covers the Annual Reports (TID & MED) for FY 2018-2019

- OEWD ensures that all CBDs/BIDs are meeting their management plans.
- OEWD staff conducts an annual review of Annual Reports and CPA Financial Reviews.
- OEWD provides the Board Supervisors with a summary memo.



Assessments & Zones



TID & MED Formation

District	Type	Initial Assessment Budget*	FY 18-19 Assessment Budget	Year Formed	Expires
TID	Business-Based	\$27,000,000	\$25,520,545	January 1, 2009	December 31, 2023
MED	Business-Based	\$19,332,000	\$31,062,019	February 5, 2013	June 20, 2045



TID & MED Benchmarks

OEWD's staff reviewed the following budget related benchmarks for TID & MED:

Benchmark 1 – The variance between the Management Plan Budget and Fiscal Year budget, by service category.

Benchmark 2 – The variance between the budget amount and actual expenses with a fiscal year.

Benchmark 3 – Whether TID & MED are indicating the amount of funds to be carried forward into the next fiscal year a designating projects to be spent in future fiscal years.



TID & MED Operations

Staff

- Executive Director – Lynn Farzaroli

TID Service Areas

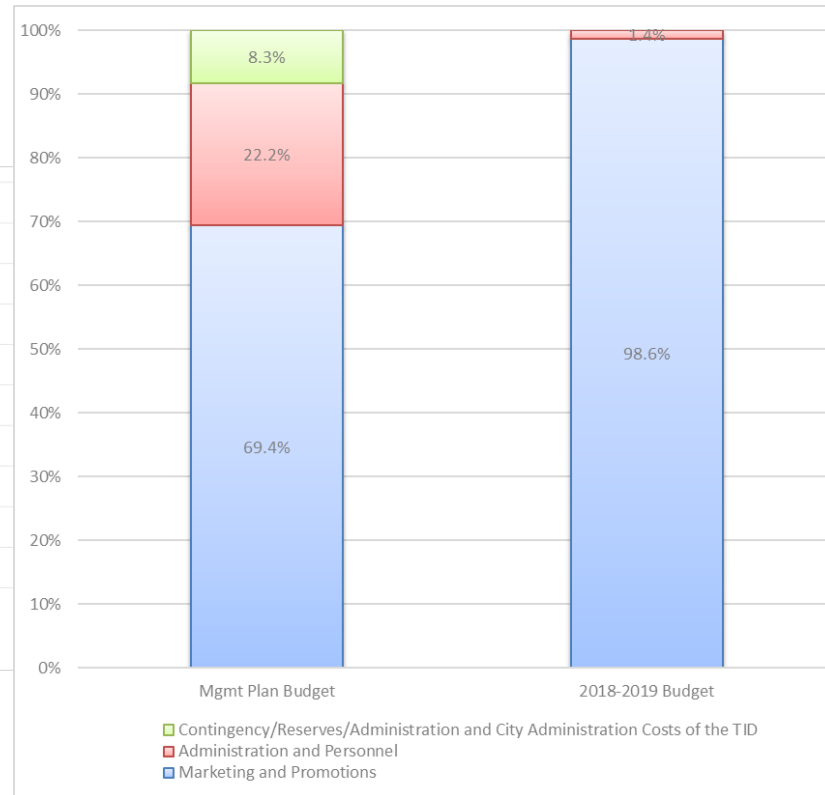
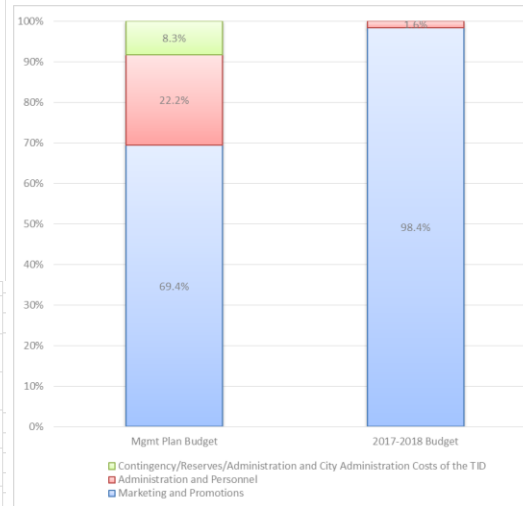
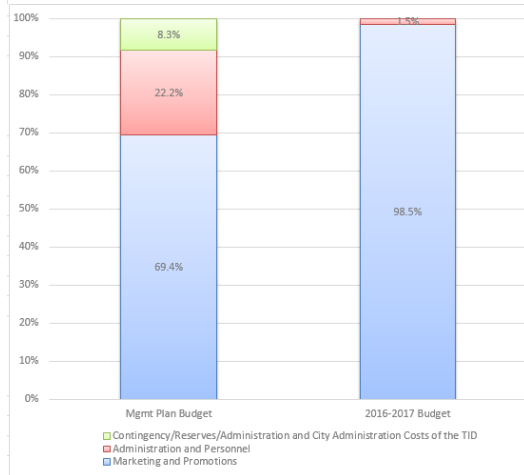
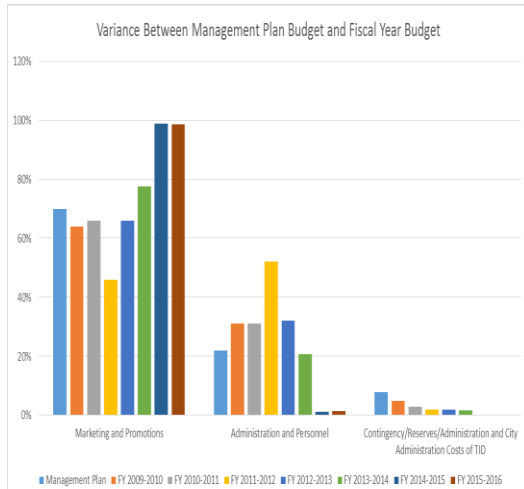
- Marketing and Promotions
- Services and Improvements to Moscone Convention Center
- Contingency, Reserve, Administration Costs

MED Service Areas

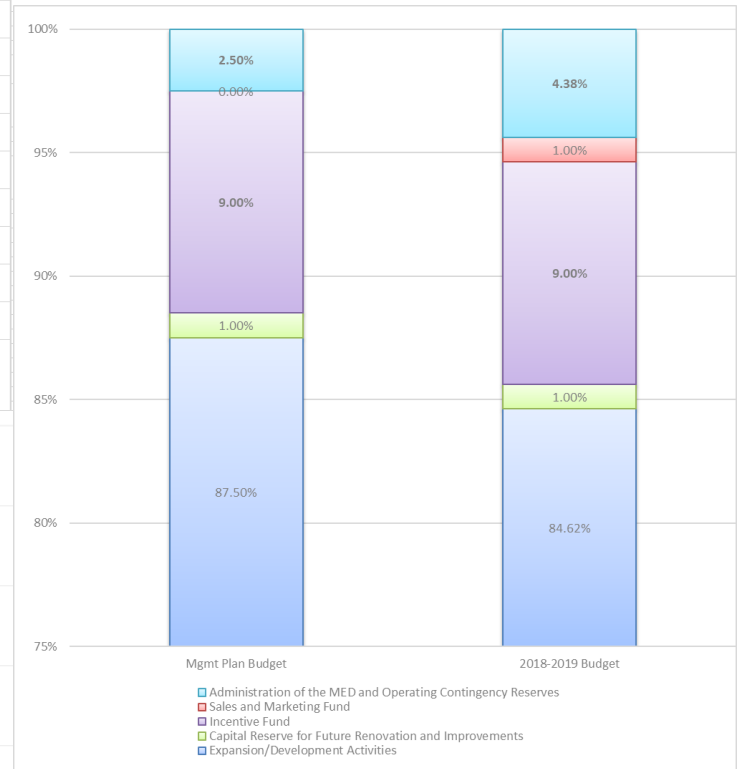
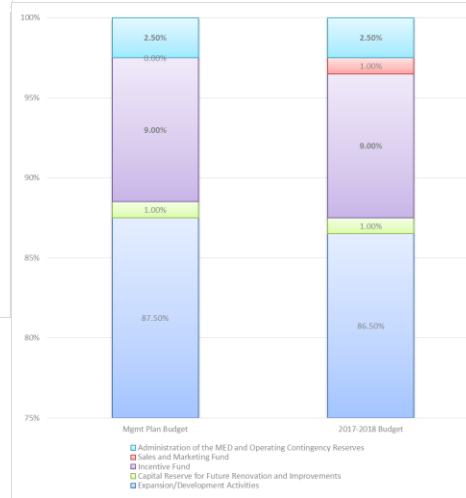
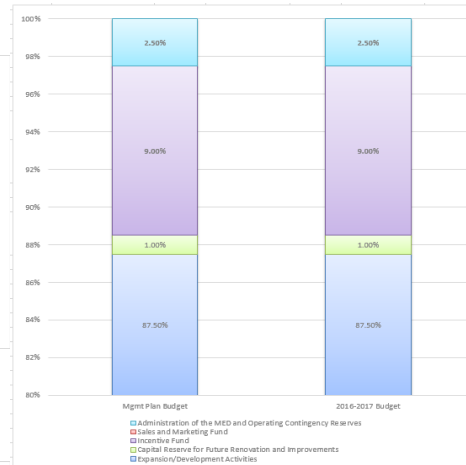
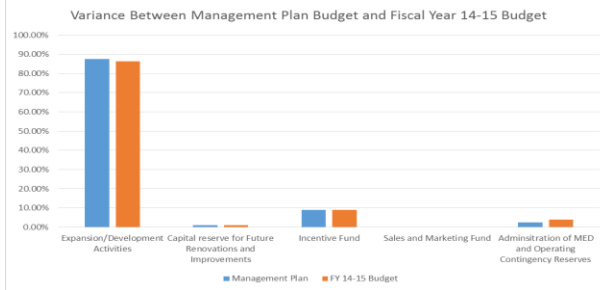
- Expansion of the Moscone Convention Center (development, construction, financing)
- Moscone Convention Center Incentive Fund
- Moscone Convention Center Sales & Marketing Fund
- Future Capital Improvements and Renovations
- Administration and Reserves



TID Management Plan vs. Annual Budgets



MED Management Plan vs. Annual Budgets



TID Budget vs. Actuals

Service Category	FY 2013-2014 Variance % Points	FY 2014-2015 Variance % Points	FY 2015-2016 Variance % Points	FY 2016-2017 Variance % Points	FY 2017-2018 Variance % Points	FY 2018-2019 Variance % Points
Marketing and Promotions	+2%	-1.1%	+0.2%	-0.3%	-0.1%	+0.1%
Administration and Personnel	-3.8%	+1.1%	-0.2%	+0.3%	+0.1%	-0.1%
Contingency/Reserves/ Administration and City Administration Costs of the TID	+1.8%	0%	0%	0%	0.0%	0.0%



MED Budget vs Actuals

Service Category	FY 2014-2015 Variance % Points	FY 2015-2016 Variance % Points	FY 2016-2017 Variance % Points	FY 2017-2018 Variance % Points	FY 2018-2019 Variance % Points
Expansion/Development Activities	+3.0%	-7.0%	0%	-17.5%	+7.2%
Capital Reserve for Future Renovations and Improvements	+0.7%	-0.0%	0%	-0.4%	-1.0%
Incentive Fund	-1.5%	+8.5%	0%	-3.0%	-3.2%
Sales and Marketing Fund	0%	0%	0%	-0.4%	-0.4%
Debt Sales and Stabilization Fund	0%	0%	0%	+22.9%	0%
Administration of MED and Operating Contingency Reserves	-2.2%	-1.5%	0%	-1.6%	-2.5%



TID Carryover

	<u>FY 13-14</u>	<u>FY 14-15</u>	<u>FY 15-16</u>	<u>FY 16-17</u>	<u>FY 17-18</u>	<u>FY 18-19</u>
SFCVB Marketing and Operations	\$9,409,633	\$11,558,987	\$7,758,049	\$6,455,529	\$6,408,821	\$4,944,893
Administration and Personnel	--	--	--	--	--	--
Contingency/Reserves/Administration and City Administrations Costs of the TID	\$671,390	\$671,390	\$674,106	\$683,575	\$692,136	\$697,887
Moscone Convention Center	\$2,986,444	\$2,986,444	--	--	--	--
Capital and Incentive Funds	--	--	\$2,998,526	\$3,110,962	\$3,149,963	\$876,934
Total Designated Amount for Future Years	\$13,067,467	\$15,216,821	\$11,430,681	\$10,250,066	\$10,250,920	\$6,519,714



MED Carryover

	<u>FY 14-15</u>	<u>FY 15-16</u>	<u>FY 16-17</u>	<u>FY 17-18</u>	<u>FY 18-19</u>
Development and Expansion	\$15,153,895	\$27,750,446	\$32,103,998	\$14,746,811	-7,470,665
Capital Fund	\$138,207	\$260,337	\$476,392	\$487,032	\$31,503
Incentive Fund	\$2,658,424	\$2,190,688	\$2,300,399	\$2,090,870	\$1,660,931
Contingency/Reserve	\$564,010	\$879,121	\$1,068,207	\$1,398,043	\$1,013,408
Total Designated Amount for Future Years	\$18,514,536	\$31,080,592	\$35,948,996	\$18,722,756	-\$4,764,823



Findings & Recommendations for TID & MED

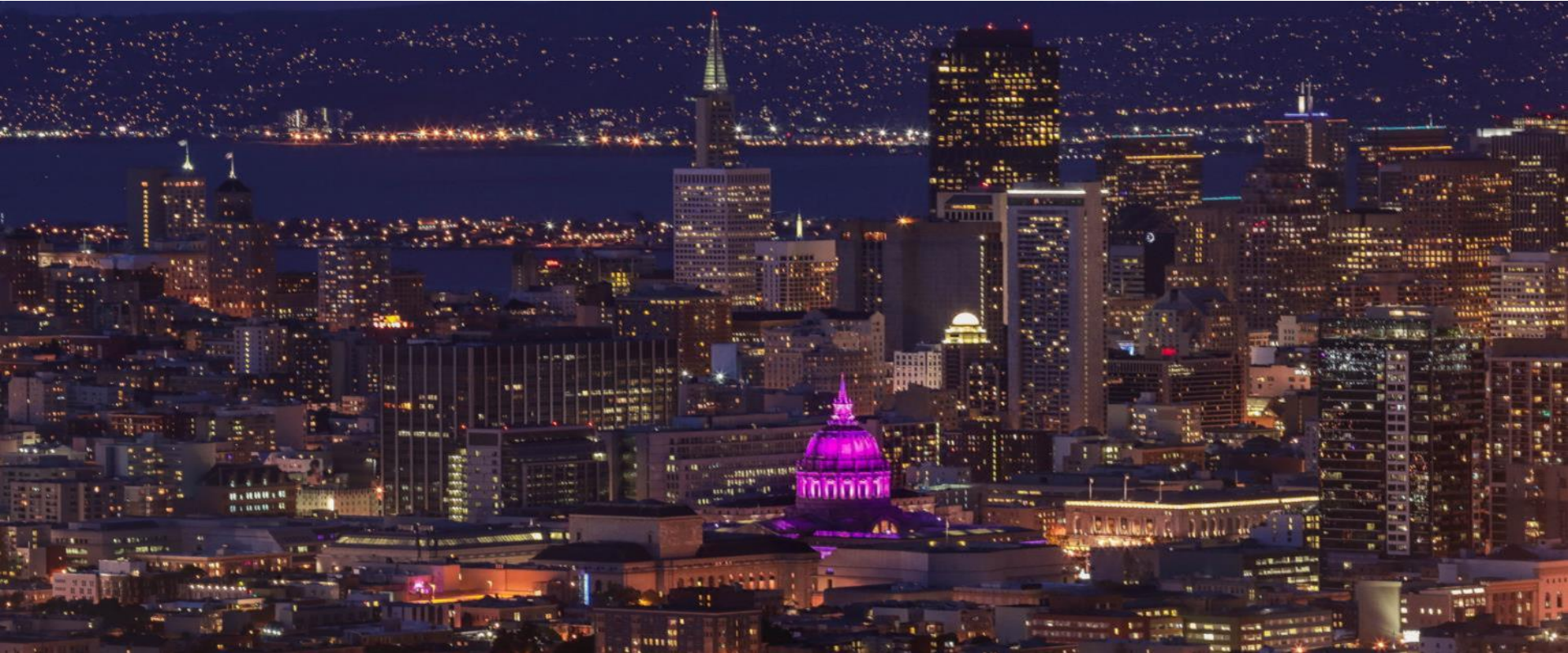
In completing the review of the TID and MED annual reports and financials, OEWD sets forth the following recommendations:

- The TID & MED were successful in implementing their Management Plan.
- The TID & MED met all benchmark requirements.
- The management organization implemented OEWD recommendations from FY 2017-2018 regarding their website, including ensuring that all links were working and that it is continually updated with up to date information
- TID is set to expire in 2023 and the organization is seeking an early renewal, they have begun working on creating renewal process and have received technical support from OEWD regarding this



CITY & COUNTY OF SAN FRANCISCO
GOVERNMENT AUDIT & OVERSIGHT COMMITTEE

SEPTEMBER 3, 2020



TOURISM IMPROVEMENT DISTRICT 2018-2019

TOURISM IMPROVEMENT DISTRICT

Convention Sales

- Conventions generated over 1,646 meetings with \$1.63 billion in direct spending
- Sales team booked over 1,762,649 rooms nights
- Sales Missions to Washington DC, and Chicago reaching over 263 meeting planners
- Attended over 50 trade shows

Marketing and Promotion

- Leisure visitors comprised 60% of all visitors
- The Visitor Information Center (VIC) saw 350,000 people.
- The VIC has staff that speak 12 languages and have trained over 750 people in a unique MYSF Program designed to education tourism individual on San Francisco.



TOURISM IMPROVEMENT DISTRICT

MARKETING EFFORTS

- 26.2 Million Visitors
- 8.7 billion media impressions which equates to more than \$394 million in value
- www.sftravel.com
 - 9.2+ million unique visitors
 - \$210.5 million in economic impact
- Instagram oninsf 260,000+ followers
- Twitter @onlyinsf 206,000+ followers
- Facebook San Francisco | The Official Guide 695,000+ followers



MOSCONE EXPANSION DISTRICT 2018-2019

MOSCONE EXPANSION DISTRICT

- \$551+ million-dollar expansion and renovation
- Final and total phase of the project completed January 2019
 - It was on-time and on-budget
- Fully Operational for all booked groups by Spring 2019
- Client liaison position was critical in keeping clients and contractors happy.



MOSCONE EXPANSION DISTRICT

Moscone Expansion Incentive Fund | \$2.4 MM

- Used to attract new clients
- Retain current clients during expansion and into the future

Moscone Grand Re-opening

- January 3, 2019
- Ribbon Cutting: Over 1000 attendees
- Gala: 400+ attendees (inclusive of city officials and major meeting planners from around the US)

