



Annual Report | 2012-2013

The San Francisco Tourism Improvement District Management Corporation (SFTIDMC) is the owners association group that over sees the San Francisco Tourism Improvement District

San Francisco Tourism Improvement District

The San Francisco Tourism Improvement District (TID) ensures that funding for the San Francisco Travel Association's selling, marketing and promotion of San Francisco as a visitor destination, and the renovation and potential expansion of Moscone Center, is maintained at competitive levels.

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.





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 San Francisco Tourism Improvement District Management Corporation (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 Tourism Improvement District (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 2012-2013:

Convention and Meeting Sales

- **1,285 Meetings held In San Francisco**
- **\$1.2 billion in direct spending**
- **2+ million room nights booked**
- **Sales mission to Washington DC with over 100 meeting planners present**
- **Attended trade shows : Meeting Professional International, Professional Convention Management Association, International PowWow**

2 + 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. Although the industry has seen economic uncertainty impact discretionary leisure travel, business travel (the most lucrative segment) and corporate meetings (which can book – and cancel – inside very short timeframes), San Francisco is starting to see growth in all of these areas.

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)

425,000 visitors per year
18 languages spoken by staff and volunteer
Completed remodel in 2012





49 Hours – Three Campaigns

271,000 website visits

Generated 4.3 million in economic impact

SanFrancisco.travel

4.8 million visitors

\$80 million in economic impact

Social Media

Facebook, 536,000 LIKES

Twitter, over 108,000 followers

Instagram, over 30,000 followers

16.5
MILLION
people visited San Francisco

Publications Produced

Visitor Planning Guide, Produced Bi-Annually

- The official leisure visitor fulfillment piece is distributed to 225,000 travelers annually.
- In-Market Distribution:
 - Bay Area Visitors Centers
 - California Welcome Centers
 - San Francisco International Airport
 - Moscone Convention Center
 - San Francisco Visitor Information Center

Meeting Planners Guide, annual

- Reach 15,000 meeting and travel professionals who bring high - value travelers to San Francisco.
- Distribution:
 - 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
 - U.S. and international sales missions

Tourism Sales and Marketing

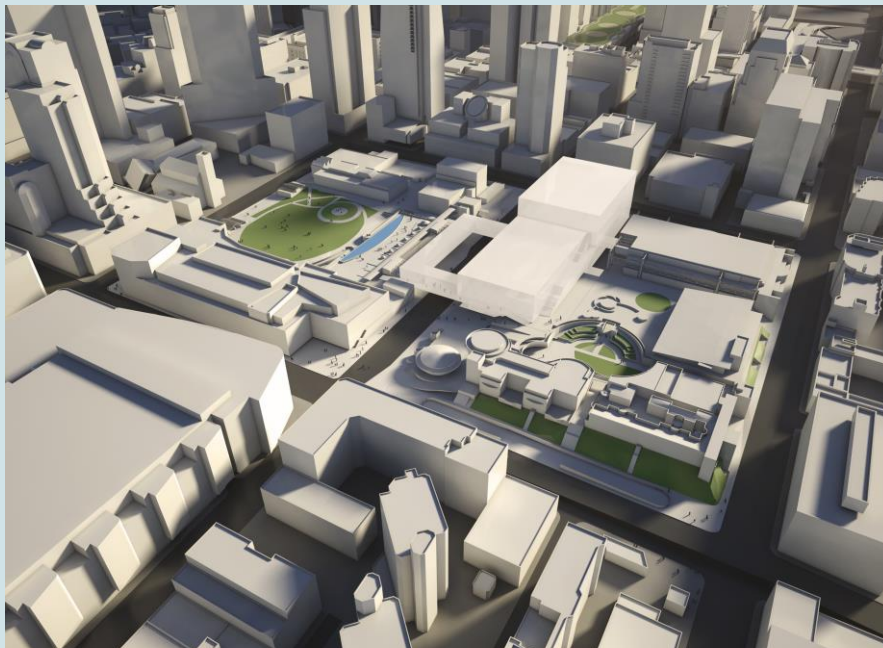
- **4+ million international visitors to San Francisco**
- **Partnered with SFO on new air service to/from Copenhagen, Shanghai and Paris**
- **San Francisco travel hosted over 1,000 journalists in 2012-2013**
- **Domestic Media Coverage**
 - 3.3 Billion impressions
 - \$17.7 million value
- **International Media Coverage**
 - 3.26 Billion Impressions
 - \$14.8 million value



CONVENTION FACILITIES – MOSCONE CENTER

San Francisco is blessed with incredible demand, and as a result, our convention facilities typically operate at more than 70% of capacity, which is considered nearly full when factoring in move-in and move-out days and maintenance.

- After a successful completion of the \$56 million dollar Moscone Renovation in 2012, beginning stages for a Moscone Expansion started
- The SFTIDMC retained the architecture and engineering firm Skidmore, Owning and Merrill in June 2012 to begin the concept design of potential expansion.
- The SFTIDMC Project retained the general contracting firm Webcor Builders in January 2013 to begin pre-construction services.
- The SFTIDMC Project retained Barbary Coast Consulting in November 2012 to help develop and make a community outreach plan for the Moscone Expansion Project
- A concept design was completed in March of 2013 for the Moscone Expansion
- The Moscone Expansion District (MED) was formed by 96.4% approval from the industry and passed unanimously at the San Francisco Board of Supervisors. The MED will generate funds for the Moscone Expansion Project.





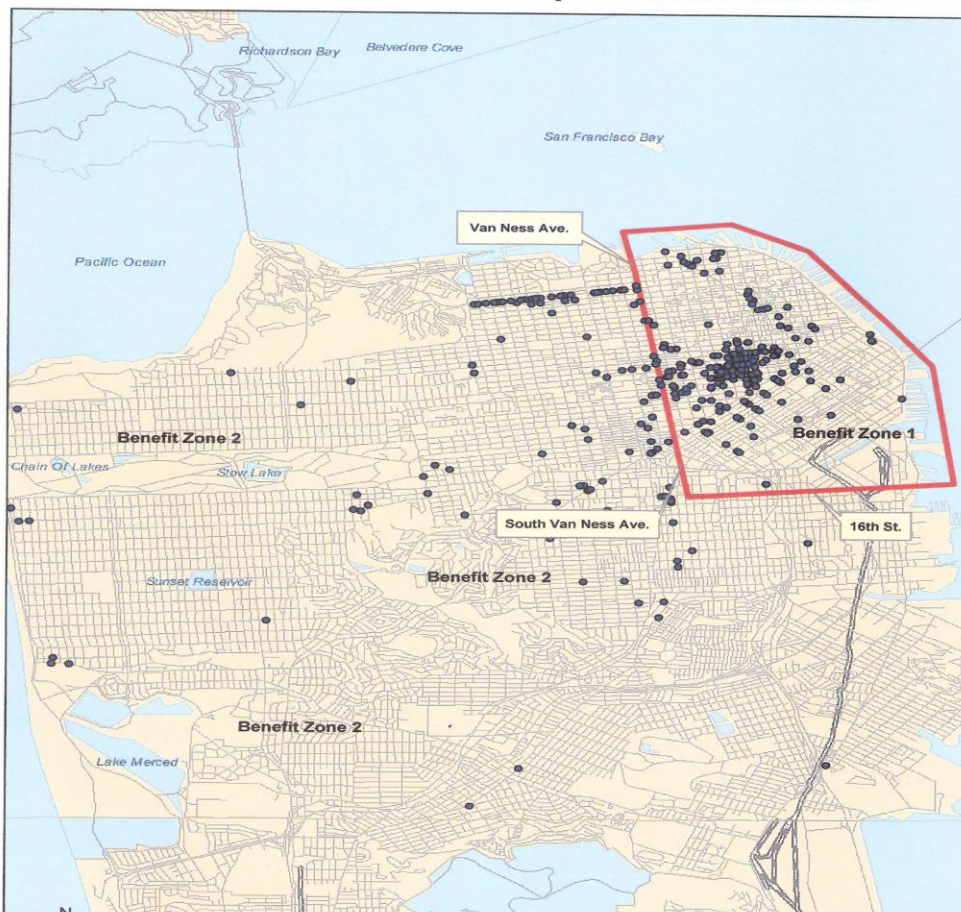
TID COLLECTION METHODOLOGY

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





San Francisco Tourism Improvement District Management Corporation (SFTIDMC)

BUDGET & BALANCE SHEET

JULY 2012-JUNE 2013 ACTUAL

| INCOME | ACTUAL | REVISED BUDGET | OVER/(UNDER) BUDGET |
|---|---------------------|---------------------|---------------------|
| Assessment Fee | \$26,909,406 | \$25,700,000 | \$1,209,406 |
| Interest Income | \$32,008 | \$20,000 | \$12,008 |
| TOTAL INCOME | \$26,941,414 | \$25,720,000 | \$1,221,414 |
| EXPENSES | ACTUAL | REVISED BUDGET | OVER/(UNDER) BUDGET |
| SFTA Marketing & Operations | \$17,089,102 | \$17,089,102 | \$0 |
| Moscone Convention Center Services and Improvements | \$7,540,343 | \$8,335,000 | (\$794,657) |
| SFTIDMC Administration | \$567,425 | \$500,000 | \$67,425 |
| TOTAL EXPENSES | \$25,196,870 | \$25,924,102 | (\$727,232) |
| NET INCOME | \$1,744,544 | (\$204,102) | \$1,948,646 |

JULY 2012-JUNE 2013 BALANCE SHEET

ASSETS

| | |
|--------------------------|---------------------|
| Cash | \$4,646,898 |
| Accounts Receivable, Net | \$6,456,545 |
| TOTAL ASSETS | \$11,103,443 |

LIABILITIES

| | |
|---|---------------------|
| Accounts Payable | \$1,567,905 |
| Accrued Liabilities | \$28,000 |
| TOTAL LIABILITIES | \$1,595,905 |
| TOTAL NET ASSETS (CARRYOVER) | \$9,507,538 |
| TOTAL LIABILITIES & NET ASSETS | \$11,103,443 |



| JULY 2013-JUNE 2014 BUDGET | |
|---|---------------------|
| INCOME | BUDGET |
| TID Assessment Fee | \$22,818,000 |
| Interest Income | \$0 |
| TOTAL INCOME | \$22,818,000 |
| EXPENSES | BUDGET |
| SFTA Marketing & Operations | \$17,700,000 |
| Moscone Convention Center Services and Improvements | \$4,731,000 |
| SFTIDMC Administration | \$387,000 |
| TOTAL EXPENSES | \$22,818,000 |
| NET INCOME | \$0 |

| PROJECTED CARRYOVER DISBURSEMENT | | | |
|---|--------------------|-----------------------------------|-----------------------------------|
| CARRYOVER | TOTAL | TO BE USED IN FY 2013-2014 | TO BE USED IN FUTURE YEARS |
| SFTA Marketing & Operations | \$7,624,545 | \$0 | \$7,624,545 |
| Moscone Convention Center Services and Improvements | \$1,211,603 | \$0 | \$1,211,603 |
| Contingency/Reserve | \$671,390 | \$0 | \$671,390 |
| TOTAL CARRYOVER DISBURSEMENT | \$9,507,538 | \$0 | \$9,507,538 |



SFTID Board of Directors | FY 2012-2013

BOARD CHAIR

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Linda Palermo, Commune Hotels

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John Cope, At- Large Director

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Jon Kimball, Westin St. Francis

Jan Misch, Tuscan Inn

David Nadelman, Grand Hyatt

John Noguchi, City and County of San Francisco

Oscar Rodriguez, Marriott Union Square

Rick Swig, RSBA & Associates

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