



San Francisco Tourism Improvement District & Moscone Expansion District



Legislative Overview

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

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



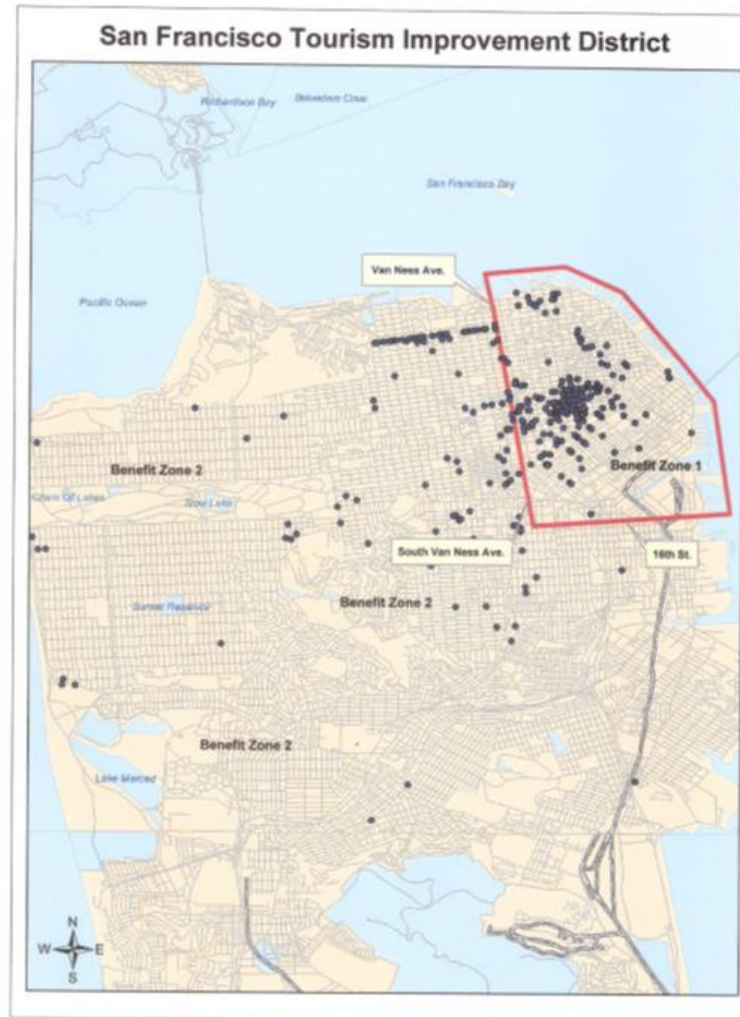
Review Process

This resolution covers the Annual Reports (TID & MED) for FY 2016-2017

- 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 17-18 Assessment Budget	Year Formed	Expires
TID	Business-Based	\$27,000,000	\$23,674,000	January 1, 2009	December 31, 2023
MED	Business-Based	\$19,332,000	\$29,020,000	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 and designating projects to be spent in future fiscal years.



TID & MED Operations

Staff

- Executive Director – Lynn Farzaroli

TID Service Areas

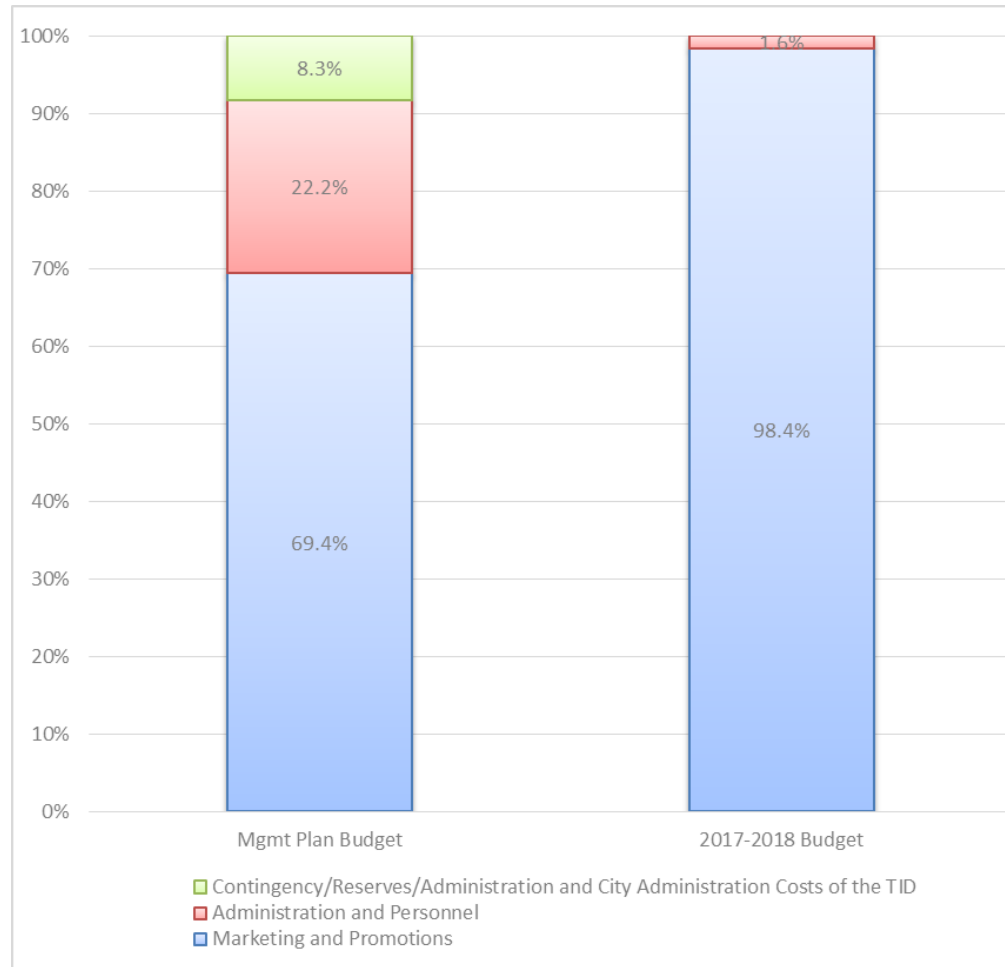
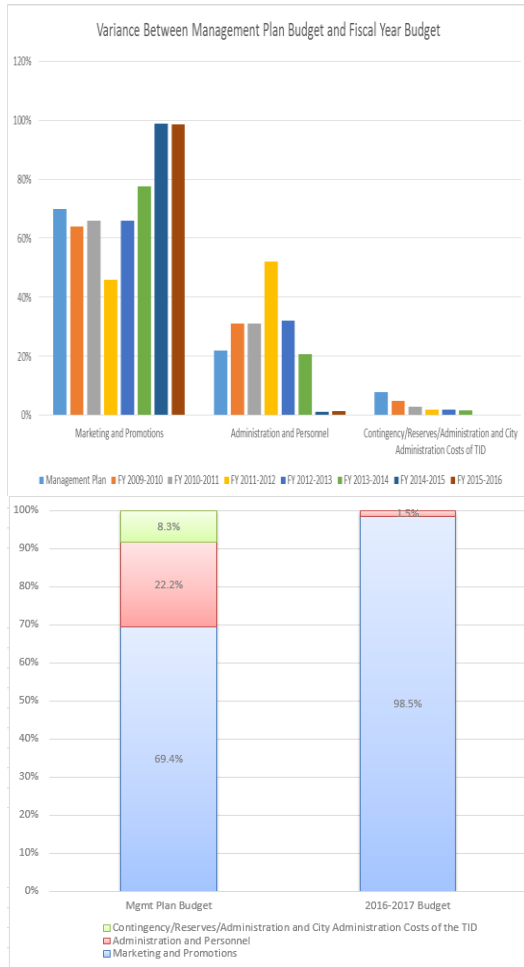
- Marketing and Promotions
- Services and Improvements to Moscone Convention Center
- Contingency, Reserve, Administration Costs

MED Service Areas

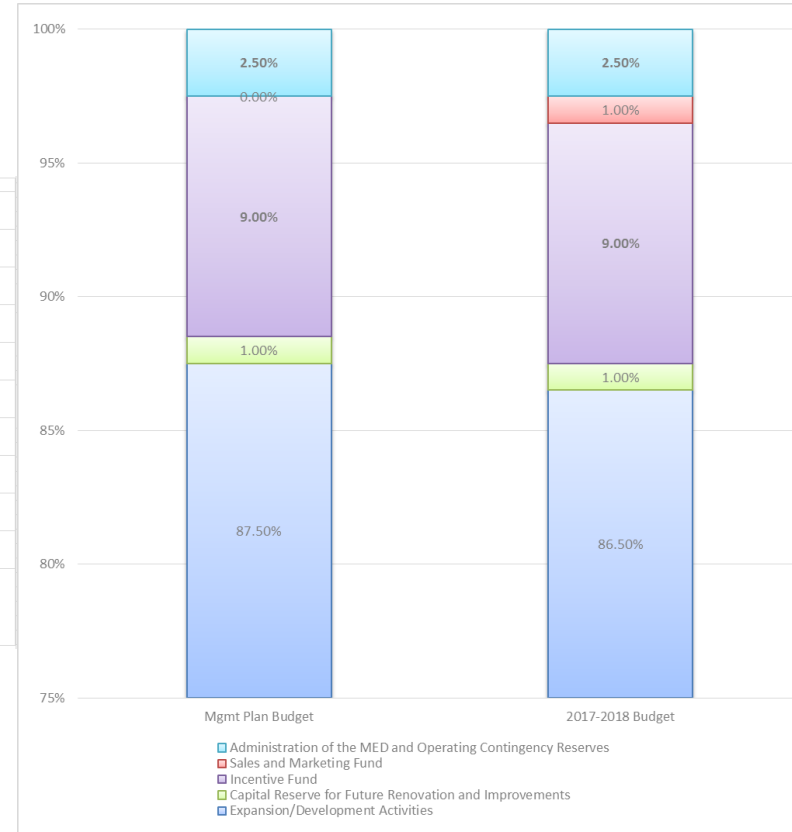
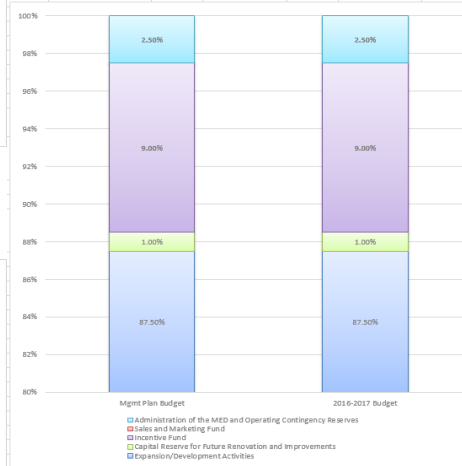
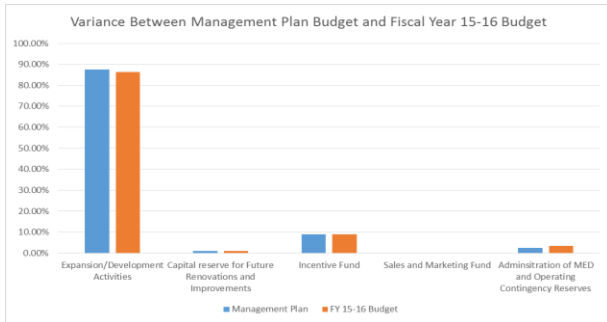
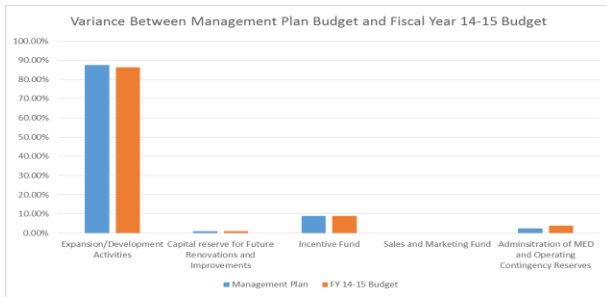
- Expansion of the Moscone Convention Center (development, construction, financing)
- Moscone Convention Center Incentive Fund
- Moscone Convention Center Sales & Marketing Fund
- Future Capital Improvements and Renovations
- Administration and Reserves



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
Marketing and Promotions	+2%	-1.1%	+0.2%	-0.3%	-0.1%
Administration and Personnel	-3.8%	+1.1%	-0.2%	+0.3%	+0.1%
Contingency/Reserves/ Administration and City Administration Costs of the TID	+1.8%	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
Expansion/Development Activities	+3.0%	-7.0%	0%	-17.5%
Capital Reserve for Future Renovations and Improvements	+0.7%	-0.0%	0%	-0.4%
Incentive Fund	-1.5%	+8.5%	0%	-3.0%
Sales and Marketing Fund	0%	0%	0%	-0.4%
Debt Sales and Stabilization Fund	0%	0%	0%	+22.9%
Administration of MED and Operating Contingency Reserves	-2.2%	-1.5%	0%	-1.6%



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



MED Carryover

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



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 was successful in implementing their Management Plan.
- The TID & MED met all benchmark requirements.
- The management organization successfully remedied violations of The Brown Act that OEWD found in FY 2016-2017
- The management organization implemented OEWD recommendations from FY 2016-2017 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

OCTOBER 17, 2019



TOURISM IMPROVING DISTRICT 2017-2018

TOURISM IMPROVEMENT DISTRICT

Convention Sales

- Conventions generated over 1,400 meetings with \$1.4 billion in direct spending
- Sales team booked over 1.7 million rooms nights
- Sales Missions to Washington DC, and Chicago reaching over 240 meeting planners
- Attended over 50 trade shows

Marketing and Promotion

- Leisure visitors comprised 60% of all visitors
- The Visitor Information Center (VIC) saw 600,000 people.
- The VIC has staff that speak 12 languages and have trained over 400 people in a unique MYSF Program designed to education tourism individual on San Francisco.



TOURISM IMPROVEMENT DISTRICT

Marketing efforts

- 25.6 Million Visitors
- 8.2 billion media impressions which equates to more than \$375 million in value
- Sanfrancisco.travel
 - 3.7+ million unique visitors
 - \$121+ million in economic impact
- Instagram oninsf 233,000+ followers
- Twitter @onlyinsf 216,000+ followers
- Facebook San Francisco | The Official Guide 550,000 followers



MOSCONE EXPANSION DISTRICT 2017-2018

MOSCONE EXPANSION DISTRICT

- \$551+ million-dollar expansion and renovation
- Phase 2 of the project opened September of 2017
 - It was on-time and on-budget
 - It accounted for 40% of the project.
- Four phases of construction to allowed the building to remain operational.
- Client liaison position was critical in keeping clients and contractors happy.



SFTIDMC ANNUAL REPORT

MOSCONE EXPANSION DISTRICT

Moscone Expansion Incentive Fund | \$2.4 million

- used to attract new clients
- retain current clients during expansion

