



## Annual Report | 2016-2017

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 2016-2017:

### Convention and Meeting Sales

- 1,579,988 million room nights booked  
Over 1,300 meetings held in San Francisco
- \$1.24 billion in direct spending
- Sales mission to Washington, DC and Chicago reaching over with over 220 meeting planners
- Attended over 50 trade shows and events

**1.2 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. Leisure visitors comprise 60% 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)

- 600,000 visitors per year in 3 locations
- 12 languages spoken by staff and volunteers
- MYSF has trained over 400 people in the visitor industry



### **SanFrancisco.travel**

6.3 million visitors  
\$216.8 million in economic impact

### **Social Media**

Facebook  
San Francisco | The Official Guide  
SFMeetings  
SFTravel  
Twitter @onlyinSF 216,000+ followers  
Instagram onlyinsf 233,000+ followers

**25.1 Million visitors to  
San Francisco**

### **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.

### **Key Themes**

- **Never the Same. Always San Francisco.**
- **IconicSF**
- **Arts & Culture**
- **Food & Wine**

### **Tourism Sales and Marketing**

- SFO had 53.1 million travelers fly in and out
- Representation in 14 international offices in 13 countries
- Partnered with SFO on new air service
- San Francisco Travel hosted over 1,250 travel professionals
- Attended 15 International and Domestic trade shows
- San Francisco hosted 900+ journalists
- Media Coverage
  - 5.8 billion impressions
  - \$375+ million value

**\$9.69 billion in visitor  
spending**



## MOSCONE EXPANSION DISTRICT



- Phase 2 construction, consisting of opening about 40% of new meeting space, was on time and on budget.
- Continued bi-weekly meetings with key neighborhood stakeholders.
- Continued communications with Convention clients that are booked through the construction years. The client liaison is main point of contact between clients and construction management staff. Moscone Center will remain open and operational throughout the project.
- Over \$2 million was utilized to provide convention customers with rental incentives to attract conventions to San Francisco.
- The final phase of the project is under way with completion on track for December 2018.



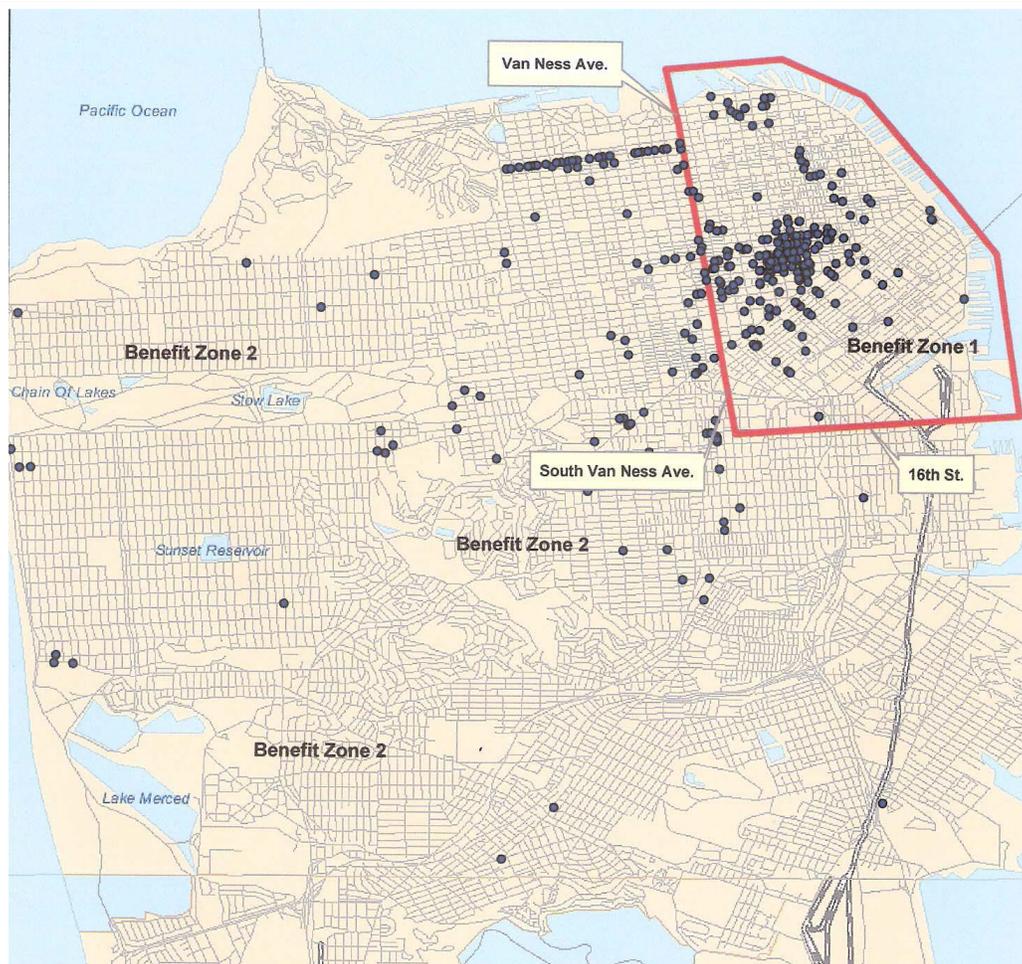


### TID and MED COLLECTION METHODOLOGY

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**

JULY 2016-JUNE 2017 ACTUAL	TID	MED	TOTAL
<b>INCOME</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	
Assessment Fee	\$23,789,425	\$28,591,033	\$52,380,458
Interest Income	\$80,033	\$329,034	\$409,067
<b>TOTAL INCOME</b>	<b>\$23,869,458</b>	<b>\$28,920,067</b>	<b>\$52,789,525</b>
<b>EXPENSES</b>			
SFTA Marketing & Operations	\$24,605,500	\$0	\$24,605,500
Moscone Convention Center Development and Expansion	\$0	\$20,952,398	\$20,952,398
Moscone Convention Center Capital Fund	\$0	\$71,439	\$71,439
Moscone Convention Center Incentive Fund	\$0	\$2,497,057	\$2,497,057
SFTIDMC Administration and Operating Expenses	\$444,573	\$530,769	\$975,342
<b>TOTAL EXPENSES</b>	<b>\$25,050,073</b>	<b>\$24,051,663</b>	<b>\$49,101,736</b>
<b>NET INCOME</b>	<b>(\$1,180,615)</b>	<b>\$4,868,404</b>	<b>\$3,687,789</b>

JULY 2016-JUNE 2017 BALANCE SHEET	TID	MED	TOTAL
<b>ASSETS</b>			
Cash	\$4,640,599	\$27,287,184	\$31,927,783
Accounts Receivable, Net	\$5,630,180	\$16,069,972	\$21,700,152
<b>TOTAL ASSETS</b>	<b>\$10,270,779</b>	<b>\$43,357,156</b>	<b>\$53,627,935</b>
<b>LIABILITIES</b>			
Accounts Payable	\$1,138	\$5,527,226	\$5,528,364
Accrued Liabilities	\$19,575	\$23,925	\$43,500
Long-Term Liabilities - Construction Retention	\$0	\$1,857,009	\$1,857,009
<b>TOTAL LIABILITIES</b>	<b>\$20,713</b>	<b>\$7,408,160</b>	<b>\$7,428,873</b>
<b>TOTAL NET ASSETS (CARRYOVER)</b>	<b>\$10,250,066</b>	<b>\$35,948,996</b>	<b>\$46,199,062</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>\$10,270,779</b>	<b>\$43,357,156</b>	<b>\$53,627,935</b>



JULY 2017- JUNE 2018 BUDGET	TID	MED	TOTAL BUDGET
<b>INCOME</b>	<b>BUDGET</b>	<b>BUDGET</b>	
Assessment Fee	\$23,501,000	\$29,020,000	\$52,521,000
Interest Income	\$0	\$0	\$0
<b>TOTAL INCOME</b>	<b>\$23,501,000</b>	<b>\$29,020,000</b>	<b>\$52,521,000</b>
<b>EXPENSES</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>BUDGET</b>
SFTA Marketing & Operations	\$23,299,000	\$0	\$23,299,000
Moscone Convention Center Development and Expansion	\$0	\$25,102,300	\$25,102,300
Moscone Convention Center Capital Fund	\$0	\$290,200	\$290,200
Moscone Convention Center Incentive Fund	\$0	\$2,611,800	\$2,611,800
Convention Sales & Marketing Fund	\$0	\$290,200	\$290,200
SFTIDMC Administration	\$375,000	\$725,500	\$1,100,500
<b>TOTAL EXPENSES</b>	<b>\$23,674,000</b>	<b>\$29,020,000</b>	<b>\$52,694,000</b>
<b>NET INCOME</b>	<b>(\$173,000)</b>	<b>\$0</b>	<b>(\$173,000)</b>

PROJECTED CARRYOVER DISBURSEMENT	TID	MED	TOTAL	TO BE USED IN FY 2017-2018
<b>CARRYOVER</b>	<b>TOTAL</b>	<b>TOTAL</b>		
SFTA Marketing & Operations	\$6,455,529	\$0	\$6,455,529	\$173,000
Moscone Convention Center Development and Expansion	\$0	\$32,103,998	\$32,103,998	\$0
Moscone Convention Center Capital Fund	\$2,446,772	\$476,392	\$2,923,164	\$0
Moscone Convention Center Incentive Fund	\$664,190	\$2,300,399	\$2,964,589	\$0
Contingency/Reserve	\$683,575	\$1,068,207	\$1,751,782	\$0
<b>TOTAL CARRYOVER DISBURSEMENT</b>	<b>\$10,250,066</b>	<b>\$35,948,996</b>	<b>\$46,199,062</b>	<b>\$173,000</b>



## **SFTID Board of Directors | FY 2016-17**

### **BOARD CHAIR**

Ralph Lee, Whitcomb Hotel

### **BOARD VICE-CHAIR**

Chuck Pacioni, Marriott Marquis

### **SECRETARY/TREASURER**

David Von Winckler, Sir Francis Drake Hotel – Kimpton

### **Board Members**

Darren Inverson, Metreon

David Lewin, Hyatt Hotels

Monique Moyer, CBRE

John Noguchi, City and County of San Francisco

Kathy Paver, PEIR 39

David von Winckler, Kimpton Hotels

Craig Waterman, Hotel Kabuki

Ingrid Summerfield, Filament Hospitality