



TOURISM AUTHORITY

SAN DIEGO TOURISM TRENDS



SAN DIEGO: The Tourism Economy

Core Infrastructure

- 543 Hotels, Motels, B&Bs and Casino Hotels
- 61,010 Total Hotel/Motel Rooms
- 10.3M Air Passenger Arrivals at SAN
- 14.8M Attraction Attendance
- 97 Golf Courses
- 434 Arts Institutions
- 150 Craft Breweries

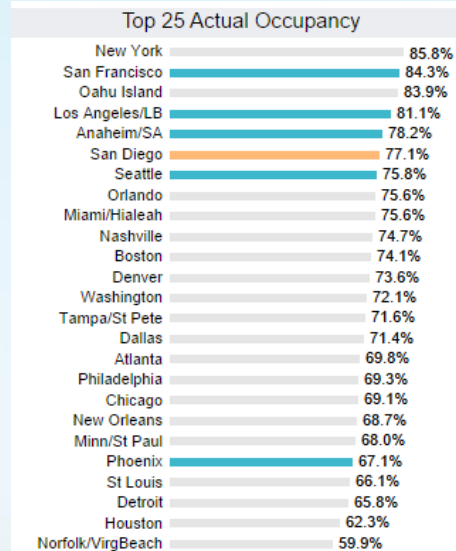


SAN DIEGO: The Tourism Economy

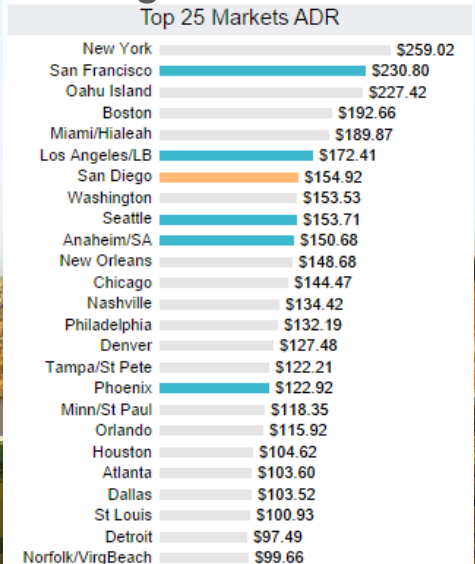
The Numbers...

- 35M Visitors
- \$10.4B Visitor Spending
- 9.8M Hotel Visitors
- 17.1M Room Nights Sold
 - 63% Leisure/Transient
 - 7% Citywide Conventions
 - 24% Single Property Meetings
- \$289M in County TOT Collections

6th Highest Occupancy

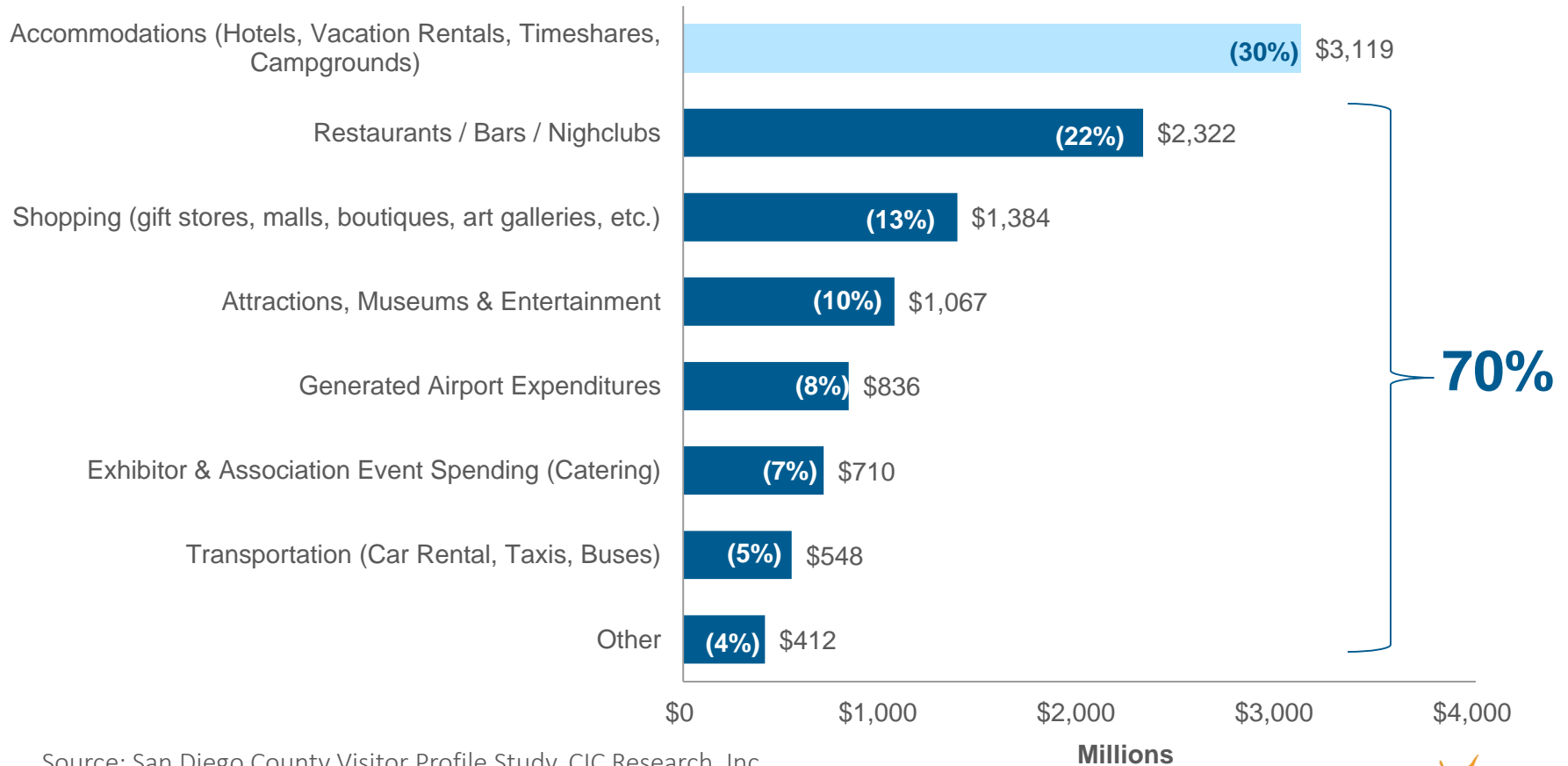


7th Highest ADR



70% of direct visitor spending is spent at businesses other than lodging

\$10.4 Billion in Direct Visitor Spending



Source: San Diego County Visitor Profile Study, CIC Research, Inc.

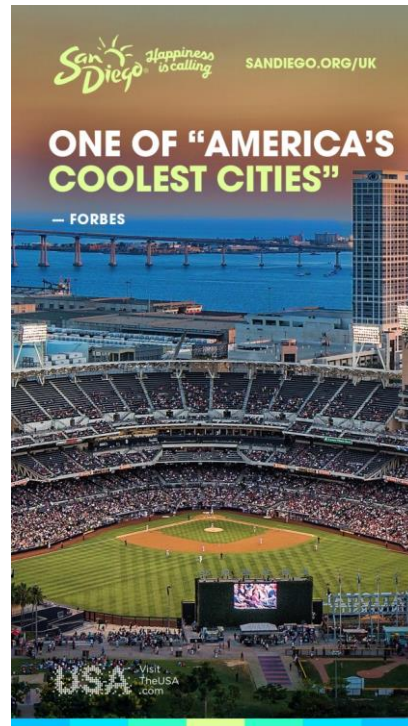
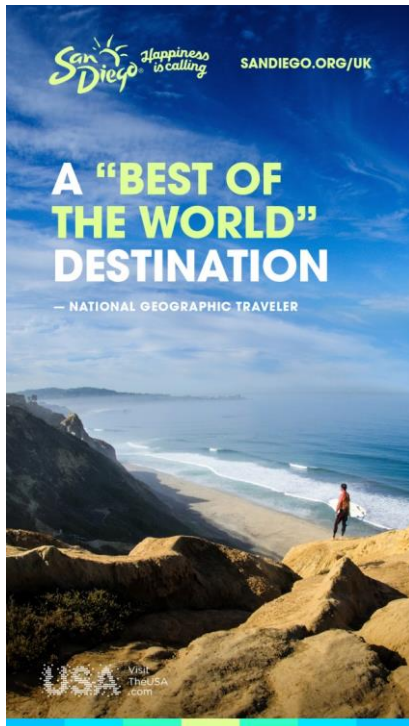
San Diego County Travel Forecast

December 2017 update

San Diego Tourism Summary Outlook (annual % growth, unless stated)							
	2016	2017	2018	2019	2020	2021	2022
Visits	1.9%	0.1%	1.1%	1.6%	1.6%	1.7%	1.7%
Day	2.5%	-0.9%	0.2%	1.2%	1.3%	1.5%	1.7%
Overnight	1.3%	1.1%	2.0%	2.0%	1.9%	1.9%	1.7%
Expenditure	4.8%	4.3%	4.1%	4.0%	4.0%	3.5%	3.2%
Day	2.9%	1.3%	1.1%	2.6%	2.3%	2.4%	2.6%
Overnight	5.1%	4.6%	4.4%	4.1%	4.2%	3.7%	3.3%
Hotel Sector							
Room supply	1.2%	1.1%	3.0%	2.3%	2.2%	1.7%	1.9%
Room Demand	2.2%	1.8%	2.3%	1.6%	1.5%	1.3%	1.5%
Occupancy (%)	77.1	77.6	77.2	76.7	76.1	75.8	75.5
ADR (\$)	\$154.93	\$160.89	\$166.14	\$172.16	\$176.67	\$179.82	\$182.10

Selling San Diego to a Global Audience

- \$40+M Annual Budget (\$20M Media)
 - Group Meetings/Conventions, Sports Groups, Medical Tourism
Leisure Travelers
- Target Markets: United States, Canada, Mexico, United Kingdom, Germany, Australia, Japan, China



Promoting San Diego: Gaslamp Quarter



Gaslamp Quarter is one of San Diego's iconic stories and is featured across all marketing program of work including BOUGHT, EARNED and OWNED

Out of Home Digital Bulletin Board in London







Our initiative addresses three of San Diego's most pressing problems:

- Homelessness
- Crumbling roads & infrastructure
- An undersized & outmoded convention center





Tourism is stymied by our current Convention Center

- Visitor spending brought \$10.4 billion dollars to our region in 2016.
- Our undersized and outmoded Convention Center means a loss of more than \$500 million each year to our tourism economy.
- Convention attendees comprise only 6% of San Diego visitors, but make up 27% of all visitor spending.
- Over the past four years, the San Diego Convention Center has lost an average of 527 events and 2.75 million room nights annually.
- Nearly 58% of them are lost due to date and space conflicts at the San Diego Convention Center.





Our Homelessness crisis is spiraling out of control

- San Diego has the 4th largest population of homeless individuals in the nation, and the 2nd largest population of homeless veterans.
- Funding is variable each year - and there is no funding stream that would ensure a significant and consistent investment in the crisis.
- Homelessness experts cite a consistent funding stream as essential to addressing the crisis.





Our Crumbling Roads are in Desperate Need of Repair

- Our roads are deteriorating faster than we can fix them.
- We have millions of dollars in road repair backlog, with no solution in sight.
- Funding is variable each year - and there is no funding stream that would ensure a significant and consistent investment in our roads
- Dedicating funding to road repair is necessary & cited by San Diegans as a top priority





Our Measure Addresses All Three Priorities

- Increase in the Transient Occupancy Tax paid by overnight visitors to local lodging facilities from 1.25 % to 3.25 % depending upon the location
- Convention Center - builds an engine to drive billions into our regional economy - \$40 billion dollars over the life of the measure, creating nearly 7000 jobs
- Unprecedented commitment to Homelessness - \$2 billion dollars with \$147 million in the first 5 years
- Dedicated funding for Road Repair - \$600 million over the life of the measure
- Supported by a broad coalition of business, tourism & hotel industry groups, Labor Unions & Homelessness Advocates



Accountability is Built Into the Initiative:

- Mandates these funds be used only for the three identified purposes
- Forbids the City from reducing current expenditures for homeless and street repair programs
- Requires annual independent audits to ensure funds are spent as intended
- Establishes Citizens Oversight Committee to ensure experts and advocates oversee all funds.



Campaign Next Steps /How you can help

- Signature gathering begins Thursday, February 1, 2018
 - Goal: 112,000 signatures by the end of May (71,646 required)
 - Ours is a Paid & Volunteer petition drive - You can help!
- Expand our broad coalition of business, labor, homeless, and community activists & organizations - You can help!
- Fundraising for a broad-based November Campaign - You can help!
- Refer to November 6, 2018 General Election Ballot by August 7

Thank You!

Joe Terzi
President and CEO
San Diego Tourism Authority

