

Message from the Chairman

On Tuesday, Mayor Sanders announced the overwhelming approval of a self-assessment by San Diego's hotel community to fund part of the expansion of the convention center. The margin of victory was large, with over 92% of affected hotels voting in favor of the assessment.

This is a big win not only for the hotel and hospitality community, but also for the business community and local economy. New revenue generated by visitors to our expanded convention center will reverberate across and benefit the entire region.

The San Diego Regional Chamber of Commerce has been in strong support of the expansion, advocating for approval of the project. Chamber President, Ruben Barrales, and Vice President of Public Policy Paul Webster – along with fellow board and committee members - have joined me in testifying in support of the expansion. Increased Convention Center capacity will significantly benefit our region by creating 10,000 new construction and permanent jobs, adding new revenue, and increasing tourism.

As with any large visionary project, there are nay-sayers who clearly don't understand the financing mechanism. They ask why expanding the convention center is critical to attracting new conventions and maintaining existing ones like Comic-Con. Others disparage the process as a corporate giveaway or misuse of taxpayer dollars. The truth is the expansion benefits all of San Diego – particularly hotel owners and operators. That's why they chose to step up and commit capital to make the expansion a reality. This financing approach will bring \$372 million in direct delegate spending and nearly \$700 million in total economic benefit to our region - real dollars and benefits that come at a critical time for San Diego.

With this most recent vote from the hotel industry, we anticipate the City Attorney's filing of a "validation action" to insure the legality of the financing vehicle. This is what was done in San Jose and we are hopeful for a similar result. From there, the environmental review process continues, as will review by the California Coastal Commission.

Many thanks to all of our members who have engaged the City Council, the Convention Center Corporation Board of Directors, and others in support of this project. We would also like to thank the hotel community for their overwhelming vote approving the assessment to fund the expansion. Lastly, tremendous credit should be given to Mayor Sanders for making this project a priority and working day and night to get the expansion completed as soon as possible.

The Chamber is dedicated to keeping you posted on the project's progress and will seek your help and participation when needed. Thanks again for your efforts and support for the convention center and the benefits it will bring to our San Diego economy. If you have any questions, please don't hesitate to call me or the Chamber staff.

Sincerely,

Mark Leslie, Chairman

San Diego Regional Chamber of Commerce